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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 10 a.m. Wednesday, January 10, 1990.

PRESENT:	President Anne Halsted
	James R. Herman, Vice President
	James Bouskos, Commissioner
	Dr. Arthur Coleman, Commissioner
	Douglas F. Wong, Commissioner

President Halsted asked for approval of the minutes of the regular meeting of December 13, 1989. Commissioner Herman moved approval, Commissioner Coleman seconded the motion, and the minutes were approved.

President Halsted next thanked the Commission for its cooperation during her two years of office as president, saying that it had been a great honor for her to serve in this capacity.

The election of officers was the next order of business, and Dr.Coleman nominated Commissioner Herman for the office of president and Commissioner Bouskos as vice president. This was seconded by Commissioner Wong, and unanimously carried. Commissioner Herman and Commissioner Bouskos were therefore unanimously elected.

President Herman thanked Dr. Coleman for his nomination and the Commission for a unanimous vote of confidence. As his first order of business, he thanked the outgoing president for her outstanding job on behalf of the Port and the citizens of San Francisco during her two years as president.

The next order of business was adoption of Commission meeting dates for 1990. President Herman proposed a change in time from 10 a.m. to 4:00 p.m. so as to allow greater participation from the general public, as well as to facilitate members of the Commission. Vice President Bouskos concurred with this suggestion and urged adoption of this change of time.

Mr. Huerta noted that before a change is made in the Rules of Order for the Commission, it is necessary to notify the public for its comment. Therefore this change of times will be placed on the agenda for the next meeting in January, and at that time the Commission will be able to vote on the issue. The Commission decided to set the January 24, 1990 meeting for 4:00 p.m. as a special meeting for the purpose of considering this change of time on a permanent basis. There being no further discussion, it was moved, seconded, carried that the January 24, 1990 meeting be held at 4:00 p.m.

The Commission adopted the schedule of dates for the Commission meetings as presented, by unanimous approval.

EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta reported on the status of the Port's strategic plan commenting that the consultants have met with a wide range of people, including tenants, labor interests, city officials. They are working with an analysis of data to look at what is happening with global trade trends and we should be receiving this information this week. Mr. Huerta stated that we will shortly be moving into the "guts" of the plan which is pulling together key managers of the Port, and working out the Commission's goals and objectives. Mr. Huerta proposed that the Commission consider appointing a committee of two to participate in developing the strategy, as it would be very beneficial to have the perspective of the Commission.

In the matter of the Fisherman's Wharf Seafood Center project, Mr. Huerta reported that the Office of Environmental Review recently published a preliminary negative declaration which on a preliminary basis means that it has been concluced that this project will not have an adverse environmental impact. Since the project, in and of itself, is a major mitigation project this was not unexpected. However, under the process there is a period in which the public can file an appeal and the City Planning Commission would then hear such an appeal. At present, there are three appeals on file which are from the swimming clubs in Aquatic Park expressing concerns as to the water quality of the project. Staff continues to work with the appellants in an effort to resolve this issue so there will be no unnecessary delays which could jeopardize the funding for this first phase of the project. Mr. Huerta indicated that the Port's loan from California Dept. of Boating & Waterways will expire the end of June, and for that reason it is absolutely essential that we stay on track.

Mr. Huerta informed the Commission that a full transcript of the meeting of December 11, 1989 is available for review, and will be made available to the public upon request, as well.

Following Mr. Huerta'report, Commissioner Halsted made a motion that the Commission establish a committee of two to work with the strategic plan consultants in an advisory capacity, and this motion was seconded by Commissioner Coleman, and carried. President Herman asked if Commissioner Halsted wished to nominate anyone for this committee but she demurred. Commissioner Halsted did, however, express her willingness to serve, if asked.

President Herman indicated he would study the matter, and make his recommendation at the next meeting.

Discussion ensued on the matter of the compatibility of the Hyde Street Pier project and the swimming and rowing clubs, and Mr. Huerta expressed his opinion that there is ample evidence to conclude that this project is a mitigation project and will be built to much higher standards than previously required, which should have a very positive impact on the environment and both will be compatible.

Mr. Huerta next asked Ms. Keri Lung, Port's development manager, to update the Commission on parking. At the previous meeting, staff presented the Commission with a report identifying seven lots as surface parking lots, and one additional lot for a parking garage. Staff's two-fold objective being to maximize Port revenues and to increase the supply of parking spaces. It was anticipated that the seven surface lots would be under a bid process, and the parking structure would be offered separately as a request for proposal. Staff's research revealed that the Office of Environmental Review will require an environmental review on the three of the lots, SWL 329, 330, 348 which are located across from Piers 30-32, to determine if this use will generate an adverse impact in the surrounding area. Although it is felt that this will review will not be extensive (90 days) and should result in a negative declaration. Staff is working now on preparing a bid package concurrent with seeking the negative declaration. Award of the bid would of course be contingent upon the positive outcome from the environmental review. Commission direction is being sought regarding packaging all seven lots as one bid packet or offering them in smaller increments.

Ms. Lung next discussed the parking garage component of the report and noted that in this instance, the Office of Environmental Review indicates it will require a full environmental impact review on the garage. This will be much more extensive than the ninety day traffic study for the surface lots. The Planning Department has indicated concern about the height limitation (84 ft.) of this structure, and that their Commission may want to limit it to 40 feet to be consistent with the four-story surrounding buildings.

Limiting the height of the parking structure would make it even more difficult to work financially. Discussion followed on the economics of a viable parking structure, with staff asserting a need for mixed-use or commercial component to subsidize the garage. Ms. Lung also noted that so-called "banking" of parking spaces (setting aside areas for future parking uses) is also a concern of the Planning Commission. Staff further reported that as the City Attorney pointed out this site is a landlocked site, and far removed from the water and could under the Trust be declared surplus to maritime use which would then not restrict development of that site to Trust purposes. For example, an office development with the garage would be permitted. This could make the development much more financially feasible. For these reasons, staff advocates taking the garage out of the parking bid package and offering it separately after all these other issues have been investigated.

President Herman questioned the wisdom of committing to development of parking uses absent a completed strategic plan indicating that although he is interested in bringing in more revenue to the Port it is his feeling that it would be more prudent to have a knowledge of where we are going first.

Commissioner Bouskos argued for designating SWL 329, and 330 as a site for a garage in conjunction with development of Piers 30-32, and Piers 24-26, averring in his opinion there would be no need for subsidization. He directed staff to provide the Commission with a plan for a parking garage at SWL 329, 330, with the economics for this development.

Commissioner Wong queried about the revenue stream from the current use of SWL 322.1 as a surface parking lot, and was informed that for 128 cars the return is approximately $135,000 annually, which will be the proposed minimum upset price if it is bid out as a garage.

Mr. Huerta noted that the interim parking proposal is essentially revenue-driven and short-term planning driven, since parking is a secure, and high value source of Port revenue, and will compensate for our parking space and revenue losses during the construction period of the Embarcadero Parkway.

Mr. Huerta summarized the discussion by noting that it will be up to the Commission to decide whether to move forward on permanent parking solutions or do we want to do an interim solution which would still leave open the option of doing permanent parking garages, or do we want to do nothing.

Commissioner Halsted asked if designating the site as a permanent parking site would slow the process of packaging the interim parking sites. Commissioner Halsted queried if this would not leave suspended the issue of ancillary uses within that site which would complement 30-32, or 28? Mr. Huerta agreed that this could close out certain options.

Following further discussion, Mr. Huerta stated that pursuant to Commissioner Bouskos' request, staff is to study the financial feasibility of an upscale garage on SWL 329, 330 and present the financial dynamics of such a proposal to the Commission for action at the next meeting on January 24, together with a proposal which would include SWL 322.1 into the bid package for surface parking as requested by Commissioner Wong.

4. PROPERTY & FINANCE

Mr. Kutnick presented four financial reports to the Commission with a brief explanation of each report, and asked for approval of refunds and allowances in the amount of $30,118. This was so moved, seconded, carried.

A brief discussion followed regarding the impact the earthquake has had on sales volume and percentages as reflected in these reports. Commissioner Wong inquired if our tenants have been apprised of the existence of insurance which covers a business interruption, and suggested that as landlords we should make this inquiry. Mr. Huerta indicated that Mr. Conrad is handling this matter.

The Commission was next presented with the proposed draft budget for fiscal year 1990/91 but was not asked to act upon this issue at this point. Mr. Kutnick said staff is prepared to meet on an individual basis with each of the Commissioners to answer any questions. Final approval of the 190/91 will be requested at the Commission meeting of January 24, 1990 which will allow time for any necessary adjustment. The final budget must be submitted to the Controller by February 14, 1990. Mr. Kutnick pointed out that the draft presented although balanced does not include provision for salary standardization which is an estimated cost of $600,000.

Mr. Huerta responded to Commissioner Coleman's inquiry about the estimated revenues projected. Adjustments have been made in the interest earned on unexpended capital, which historically has been under-projected. This budget represents a consolidation of budgets which will now be reviewed for reducing on the expense side, as well as whatever other enhancements can be made.

Ms. Schimke next asked for approval of leases no. L-11539-37-42-53 which are located in the Ferry Building, and World Trade Center.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

The Commission next asked for ratification and approval of a lease with Harbor Carriers, Inc. for continuation of expanded ferry services at Pier 1.

Mr. Huerta reported on ongoing negotiations between carriers, government entities (CalTrans, MTC etc.) and legislative representatives to sustain and expand ferry commute service and indicated hope for a positive outcome.

There being no further discussion, President Herman asked for a motion.

ACTION: Moved by Commission Halsted, seconded by Commissioner Coleman, carried.

5. MARITIME

Mr. Stone , Maritime director, asked the Commission's approval to amend the Port's Tariff 3-C in order to increase container crane rental rates concomitant with other CAPA member ports.

ACTION: Moved by Commissioner Coleman to approve amendment to Port Tariff 3-C increasing container crane rental rates by $25.00 per hour, seconded by Commissioner Halsted, carried.

Commissioner Coleman asked about our safety record and standards for crane maintenance, and it was that the Port has one of the highest levels of onboard, safety time, with the least amount of downtime. It was also noted that recently the Mayor's office has established a task force to review departmental safety standards and the Port will be participating in this task force.

Commissioner Bouskos asked staff to provide a comparison of what the cost would be for contracting out crane staff maintenance costs relative to full-time staffing, and Captain Osborne said he would provide the Commissioner with that information.

6. ENGINEERING, PLANNING, MAINTENANCE

Captain Osborne next requested the Commission to authorize final payment for and acceptance of the work on Pier 80 container cranes. Captain Osborne commended the mechanical engineer, Skip Zeller, for an excellent job of seeing this contract through completion. Following a brief discussion, Commission acted to approve the authorization and payment in the final amount of $133,214 and accept all work.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

Mr. Rick Wiederhorn, planning manager, gave the Commission an update on what changes are being proposed by the Redevelopment Agency to allow siting of a hotel at Pier 40 in order to offset some of the costs of the South Beach harbor. He referred to a ruling by the California Attorney General which restricts the development for office use on certain piers (including 40) which prompted a need to find other development possibilities. What is being suggested is amending the Redevelopment Plan to allow for a hotel, the size and scale has yet to be determined. There are no specific plans or proposals on the table at this time.

Redevelopment Agency intends to amend the plan, do an environmental impact review and certification prior to issuing a request for qualification and an request for proposal which differs from the Port's process. Commission was given a very detailed outline of this process.

In response to Commissioner Halsted, Mr. Wiederhorn indicated that the role of the Port in this process will be to review and comment on the Plan amendment, but not to approve or disapprove. Ultimately, the approval of the Plan change and amendment lies with the Board of Supervisors.

Commissioner Bouskos commented from that standpoint anything the Port Commissioners do would have no teeth in this issue.

Mr. Huerta opined that though there is no legal requirement to obtain the Port's approval, it would be highly unlikely they would do anything contrary to the wishes of the Port.

President Herman asked the staff to provide him with facts and figures on the income from the yacht harbor, and Commissioner Halsted joined with him in noting this is the primary issue. Having the specifics on financing would be crucial for the Commission to comment on this issue.

As requested, staff will provide a summary of the finances for the South Beach yacht harbor and Pier 40 development proposal as well as a land use strategy report for the Central Waterfront.

Commissioner Wong inquired about the timeliness of the large payment due from the Redevelopment Agency to the Port and it was explained that this is contingent upon Service Engineering being moved, at which time the Port can execute the lease for which the Agency exercised their option. Once we execute the lease, we can make the demand for the money, which will be about $450,000.

Discussion followed regarding the possibility of a joint public meeting with both the Port Commission and the Redevelopment Agency participating.

7. LEGAL

Prior to executive session, Deputy City Attorney reported that $4,000 of a $10,000 receivable claim of Transportacion Maritima has been recovered and it is expected that the remaining $5000 will be satisfied. In another matter, a receivable of $4,393 against National Car Rental has resulted in a claim being filed, served, and has not been answered. An attempted negotiation was not fruitful so we are in litigation on this claim.

At 11:35 a.m. the Commission next withdrew to executive session as calendared for discussion of CCSF v. Continental Development Corp., San Mateo Superior Court No. 306-225, a matter of pending litigation.

At 12:15 p.m. the Commission meeting was adjourned by motion of Commissioner Halsted, seconded by Commissioner Wong, carried.

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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 P.M., Wednesday, January 24, 1990.

PRESENT:	President James R. Herman Anne Halsted, Commissioner Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner
ABSENT:	Vice President James M. Bouskos

President Herman asked for approval of the minutes of the meeting of January 10, 1990. Commissioner Coleman made a motion to approve, which was seconded by Commissioner Halsted, and carried.

A public hearing was ordered to consider a change in meeting times (as specified in Article II, Section I of Port Commission Rules) for Port Commission meetings, from 10:00 a.m. to 4:00 p.m. President Herman stated that the time change is proposed to facilitate both the Commission's schedule as well as to encourage greater participation by the public. Discussion was called for by the Commission. The public was invited to testify in support or opposition to the change. There being none, President Herman called for action.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

EXECUTIVE DIRECTOR'S REPORT

Three employees were awarded commendations from the Commission for outstanding performances in conjunction with the Combined Charities Campaign and Food Bank Drive for 1989. Ms. Patsy Love, Maritime Department, Don Ogren, Maintenance Department, and Michael Janis, Executive Department were each given an inscribed commendations from the Commission recognizing their individual contribution in making the 1989 campaign a tremendous success.

Mr. Huerta reported on the status of the Redevelopment Agency's plans for Pier 40, noting that Port staff made an informational presentation to the Agency's board on January 16 at its weekly meeting. At that meeting, Port staff recommended that the Agency should seek the highest revenue-generating uses allowed on Pier 40 since it has a pressing obligation to repay the debt incurred in the construction of South Beach Harbor.

This use would likely be a hotel/mixed use commercial development. The Agency will prepare a draft Request for Developer Qualifications for a commercial development project that could include a hotel, and will also explore options to increase revenue from other sources as well. It was pointed out that whatever strategies are decided upon for Pier 40, it will not solve the entire financial problem of South Beach Harbor for the Agency. Refinancing requirements will have to be considered as well. Mr. Huerta reminded the Commission that although the Port does not have approval rights over the Agency's decisions, they are required to seek Port input on a course of action, and past experience has shown that in most instances such advice was heeded. Mr. Huerta suggested a joint agency/commission meeting as one possibility for discourse.

Commissioner Halsted requested that staff provide additional financial information on the entire project, harbor, commercial development and housing components, since in her opinion the only justification for commercial development on the waterfront is to finance a maritime or water-related project. Commissioner Coleman opined that a joint meeting would be premature, until the Commission deals with his resolution on waterfront hotel prohibition. Dr. Coleman said it is important that we get the public's input in the matter before formalizing any decisions.

President Herman directed staff to communicate to the Redevelopment Agency the Commission's desire for additional financial information on the Pier 40 project, and ask the Agency to defer action on this matter until after the next Port Commission meeting in February.

Mr. Huerta next reported on a recent trip to Washington, D.C. for discussion with legislators and the Corps of Engineers the Port's position on dredging matters. Regulatory agencies and the Corps of Engineers have been working for over ten years trying to develop a process for disposal as well as finding a location for final destination for disposal. The Corps is now proposing a $5 million study on the impacts of dredging and to review a number of possible bay and upland sites with the intent of designating a ocean disposal site. The Corps is looking for cost participation by Bay Area ports, and the Ports of San Francisco, Oakland, Richmond, Redwood City, Sacramento, and Stockton have joined together to formulate a policy position, so that they will have a larger say in the outcome.

President Herman characterized this as an example of the federal government "just shifting another burden onto the states, cities and municipalities" and wished to communicate strong objections to such a scheme which he deemed "unfair".

Mr. Huerta noted that basically the ports' response to the Corps is if you want to include us on a cost basis, we want to be active partners. The Commission will be kept informed on the progress of this issue.

4. PROPERTY & FINANCE

Mr. Kutnick presented four financial reports to the Commission: Status of Accounts Receivable, Statement of Revenues and Expenditures, Sales and Revenue Report for the month of November 1989, and Refunds and Allowances for the month of December for which the Commission was asked to approve the amount of $20, 718. A brief discussion followed regarding a lease agreement dispute with Customs Department, and loss of revenues suffered by Port tenants as a result of the October earthquake.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

The Commission was asked to approve the Port budget for fiscal year 1990/91 reflecting an overall reduction of $652,426 in order to allow for annual salary increases of $600,000 which the Board of Supervisors will approve in April. The revised 1990/91 budget as summarized indicates revenues in the amount of $34,737,802; expenditures of $34,074,852; and a surplus of $662,950.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

Mr. Conrad presented six leases to the Commission for locations at Piers 9, 28, 33, 50 and SWL 349 and gave a brief explanation of each license. Discussion followed regarding the lease for China Line, a burgeoning dinner-cruise operation which will have a temporary trailer office at Pier 9. Lease no. 11540-11544 will temporarily relocate fish handling operations under a short term agreement until such time as Pier 45 has been renovated.

ACTION: Approval of six leases was moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

Mr. Conrad informed the Commission that the Port has received its first check for earthquake damages in the amount of $231,841.00 from the federal government.

5. MARITIME

Mr. Roger Peters, Acting Director for Maritime Affairs, presented a request for a ninety-day interim terminal revenue sharing agreement with Nedlloyd Lines. Currently, staff is negotiating a long-term agreement which contemplates Nedlloyd's expanded activities in San Francisco. The Commission was asked to approve this interim agreement, in order to provide uninterrupted service and to allow time to finalize a long-term agreeement.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

6. ENGINEERING, PLANNING & MAINTENANCE

Commission authorization was sought by staff to accept work completed under Contract #2556 at Pier 94/96. Mr. Cliff Jarrard, Chief Harbor Engineer, explained that construction of an underground rock wall with a soil retentive filter blanket was required at Pier 94/96 due to soil washout from tidal action. This work has now been completed, and staff recommends that final payment be made to the contractor, Darcy & Hardy/Stoloski & Gonzales, A Joint Venture.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

Staff submitted a revised earthquake damage cost estimate of $19 million as a result of six weeks of intensive investigation by Port staff working together with State and Federal Emergency Management representatives. Mr. Jarrard emphasized that this is an estimated figure subject to further change because Port staff is still identifying and assessing damages. For example, with some facilities, such as the Ferry Building a consultant must be engaged to assess the cost for its repair, since this is an historic building. An additional funding of $11 million is also being sought to bring Pier 45 back to existing code. The total cost of repairing the Agriculture Building will be about $125,000 for which a contract is being advertised.

Discussion followed on setting priorities for the anticipated repair of all Port facilities. Dr. Coleman expressed his opinion that repairing the Ferry Building quickly is very important to enable us to enhance our public image and to dispel reminders of the quake.

The next matter before the Commission was a request to initiate a process to make amendments to relevant plans,specifically the Special Area Plan and the Total Design Plan to ensure these projects are consistent with approved policies governing the development of the northern waterfront and to allow these projects to proceed. The Waterfront Transportation Projects include:

1) The Embarcadero Roadway, a 4-lane landscaped boulevard between North Point and 5th & King Street intersection
2) The F-Line, the historic streetcar service along the Embarcadero from Justin Herman Plaza to Fisherman's Wharf
3) Muni Metro Extension, the extension of service from Market Street Embarcadero Station, to 6th & King Streets.
4) I-280 Ramp Reconstruction, removal of the I-280 off-ramp, construction of new on and off-ramps proposed at King Street.

The Waterfront Transportation projects will provide significant public benefits to the City including improved pedestrian safety and enhanced public transit between the southern waterfront, the Financial District and Fisherman's Wharf. Conversely, the projects will negatively impact the Port through the significant loss of parking and parking revenues. In order to mitigate some of the revenue loss, the Port is negotiating to have the City assume a larger share of maintenance costs of the improved roadway. Another possibility to offset parking supply losses near the Ferry Building includes a City-subsidized underground garage at the proposed Rincon Park.

Mr. Huerta said the Commission today is being asked to concur with certain measures to amend the Total Design Plan by the Planning Commission, as detailed in the resolution and attachment A and B as submitted.

Commissioner Herman asked what recourse the Port would have should our concerns about parking and revenue losses not be satisfied, and it was noted that the resolution before them specified that the Port Commission reserves the right to reconsider the resolution if issues of concern are not addressed satisfactorily.

Commissioner Halsted asked that the resolution include language to prohibit any changes to the projects which would negatively impact the Port, but City Attorney Pizza opined that this was unnecessary since the Commission has future approval rights over elements of the projects thereby assuring them the necessary veto power.

President Herman invited the public's testimony on this matter. Representatives from the Telegraph Hill Dwellers expressed their opposition primarily because of the environmental negatives of the present parkway design. It is their contention that numerous design changes are needed to protect the residential as well as maritime values of the area. Nan Roth, a planner as well as a member of the Telegraph Hill Dwellers expressed her concern that the Commission would consider endorsing changes to the Master Plan before the entire project review had been heard. She also noted that the possible demolition and removal of the Embarcadero freeway will impact greatly on these issues and should not be ignored. Other speakers, Rod Freebairn-Smith, Nancy Katz, Alan Graves all expressed similar views regarding the issue of the Embarcadero freeway removal and the importance of deferring any decision by the Port until such time as a decision has been made on its removal.

Sheryl Hamlin next presented the Commission with a detailed report on the findings of this group on the project, and summarized by saying that in their view this area is much more than a traffic corridor, it is a destination in itself, and that this design will relegate it to nothing more than a traffic corridor.

At the conclusion of public testimony, President Herman asked for comment by the Commission. Commissioner Halsted asked to defer action on the resolution pending clarification and information regarding the four concerns specified in the resolution, as well as any others still to be identified.

Mr. Huerta commented that in order to start the process through the Planning Commission and BCDC, this action is required to initiate the process and postponement by the Port Commission will result in added delay to the process. Commissioner Coleman agreed that he too would like more time to study the issues but felt that unnecessary delay should be avoided. Project manager Peg Devine and Rebecca Kohlstrand from City Planning reviewed the process for amending plan changes, and noted that this matter is scheduled for hearing by the Planning Commission on Thursday, February 1.

The Commission discussed postponement of the matter, and President Herman asked for a vote on the motion to postpone.

ACTION: Commissioners Halsted, Coleman, Wong voted affirmatively to postpone action pending further information, Commissioner Herman voted in the negative. It was therefore moved, seconded, carried.

7. LEGAL

The Commission withdrew into executive session at 6:35 p.m. to two matters: CCSF v. Continental Development Corporation, a matter of pending litigation, and to instruct the Port's negotiator regarding the acquisition, lease and/or exchange of real property located in that area bounded by China Basin Channel on the north, Mariposa Street on the south, Illinois Street on the west and China Basin on the east, as well as parcels east of Illinois Street, bounded by the PG&E power plant on the north and Pier 80 on the south. At the conclusion of the executive session, the Commission adjourned at 7:20 p.m.

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The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 P.M., Wednesday, February 14, 1990.

PRESENT:	President James R. Herman Vice President James M. Bouskos Dr. Arthur Coleman, Commissioner
ABSENT:	Anne Halsted,Commissioner Douglas F. Wong, Commissioner

APPROVAL OF MINUTES

President Herman asked for approval of the minutes of the meeting of January 24, 1990. Commissioner Coleman made a motion to approve, which was seconded by Commissioner Bouskos, and carried.

EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta reported on a recent meeting with Nolan Gimple, the new Chief Executive Officer for the Port of Oakland, and said he looked for strengthening of ties between the two ports.

Mr. Huerta apprised the Commission of recent organizational changes he had implemented, noting that Jack Conrad will now have responsibility for two departments, Property and Maintenance. Ben Kutnick will assume responsibility for financial administration. Cliff Jarrard was appointed provisional Chief Harbor Engineer, a position he has been filling for the last two years.

He also announced that the firm of Government Finance Associates, in joint venture with Charles A. Bell Securities, has been selected as the Port's financial officer. This firm was selected by panel through an RFP process.

In response to the Commission's request for further financial information on the Redevelopment Agency's South Beach Harbor project, staff contacted the Agency's Executive Director, Ed Helfeld, who will make a presentation on the project to the Commission at the February 28 meeting.

In other matters, a letter from the Cow Hollow Association was read into the record expressing support for removal of the Embarcadero freeway, and is hereby made a part of the minutes.

FINANCE & ADMINISTRATION

a) Mr. Kutnick presented a request to approve Non-Civil Service and temporary Civil Service removals for the month of January. Two are lay-offs due to lack of funding, and one is a displacement by a senior-ranked civil service employee. The Commission so approved.

ACTION: Moved by Commissioner Coleman, seconded by Commission Bouskos, carried.

b) The Commission was next presented with a statement of revenues and expenditures for the period ending December 31, 1989, showing revenues down as predicted because of the earthquake.

5. MARITIME

a) Roger Peters presented the Commission with a request to approve the Port's participation in and funding for the Golden Gate Ports Association's cooperative marketing projects. GGPA recently developed a system called Regional Automated Cargo Expediting and Release System (RACERS) to interface with U. S. Customs Commercial System for the clearance of inbound cargo. After a brief discussion on the funding obligations to the Port, the Commission voted its approval to participate in this program.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Bouskos, carried.

b) The Commission was advised that staff is negotiating with Evergreen Marine Corp. for a long-term economic agreement which addresses its growing activities in Northern California and new basic contract terms and conditions. In order that service to Evergreen's customers not be interrupted and to allow for finalizing a long-term agreement, the Port and Evergreen will enter into an interim agreement of ninety days. The Commission was asked to approve this action and authorize filing of the agreement with the Federal Maritime Commission.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Bouskos, carried.

7. ENGINEERING & PLANNING

a) The Port Commission took up the matter of the Embarcadero Waterfront Transportation projects as discussed previously in the Commission meeting of January 24. At that time, representatives of the Telegraph Hill Neighborhood Association requested that the Commission defer action pending resolution of certain issues, including the possible removal of the Embarcadero Freeway.

The Commission concurred with that request and is today considering an amended resolution which encourages the Planning Commission and BCDC to amend relevant plans so that the Embarcadero projects are in conformance, and sets forth those areas which are of concern to the Port specifying these must be addressed satisfactorily before final approval can be given by the Port to the projects.

It was the decision of the Commission to move approval of Resolution no. 90-14.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman, carried.

b) The item concerning the Interim Parking Strategy Proposals was deferred to the call of the Chair.

c) Planning manager Rick Wiederhorn gave a briefing on the planning process envisioned for the Central waterfront, the area south of the Ferry Building to Pier 30/32, defining the process as a reconnaissance of Port land. Staff is looking to gain a sense of the Commission's thinking. It is important that the Port's ability to manage its lands not be restricted so as to allow maximizing revenues. At the next meeting, staff will present specific land use plans and guidelines for development of the central waterfront. The strategic plan will not be a land use plan but instead will provide direction and set parameters. Staff will be addressing the issue of strategic initiatives, re-evalauating all of the plans, mission and goals to provide descriptions and plan steps for the land use. Staff will come back before the Commission in March for an update.

d) Staff presented a request from the Delancey Street Foundation to consider a temporary encroachment permit for paving over the Belt Railroad tracks located in front of its project. The Foundation is seeking this action to create parking and direct vehicle access to their future retail shops. This permit would be revocable since future construction on the proposed Embarcadero Parkway requires a different configuration. It was explained that this paving proposal must go before ISCOTT for review and approval, therefore no action was asked by the Commission at this time. Staff will request approval from the Commission after other details are resolved.

Mr. Jack Scott, of the Delancey Street Foundation, expressed his organization's appreciation to the Commission for their courtesy and cooperation.

There being no further business, the president asked for a motion to adjourn. It was moved by Commissioner Coleman, seconded by Commissioner Bouskos, to adjourn at 5:15 p.m., so carried.

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PORT OF SAN FRANCISCO
CITY & COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 P.M., Wednesday, March 14, 1990.

1. ROLL CALL

PRESENT:
Vice President James M. Bouskos
Anne Halsted , Commissioner
Douglas F. Wong, Commissioner

ABSENT:
President James R. Herman, President
Dr. Arthur Coleman, Commissioner

2. APPROVAL OF MINUTES

Vice President Bouskos chaired the meeting in the President's absence and asked for approval of the minutes of the meeting of February 28, 1990. Commissioner Halsted moved approval, seconded by Commissioner Wong, and motion carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta informed the Commission that a request for proposals for bond counsel will be issued very soon. This will enable us to bring on bond counsel to assist staff in exploring the need for alternate financing over the long run and the possibility of restructuring our debt on the 1984 bond issue. Mr. Huerta briefed the Commission next on the relocation of Pier 45 fishing tenants, particularly with reference to Long's Fish Company which recently received a great deal of newspaper coverage. Mr. Huerta noted that although there were many companies affected, all but this one have been relocated, primarily to Piers 28 and 31. Long's has brought a suit against the Port to stay at 45 which cannot be made available due to existing conditions as a result of the earthquake. However, there are ongoing discussions and it is hoped that progess can be made. In other areas, the Commission was advised that senior management participated in a management retreat the previous week-end for the purpose of examining and assessing the findings of the strategic plan. Mr.Huerta expressed his gratification to the staff involved as well as the consultants for a very positive experience.

The Commission was asked to defer the following items for the following reasons as well as in deference to the absence of President Herman and Commissioner Coleman, since these matters are of particular interest to both these Commissioners.

Item 4b pending further information, Item 5a pending call of the Chair, Item 6c pending additional information from tenant, Item 7a pending receipt of technical information, Item 7b will be scheduled in tandem with presentation of the strategic plan.

4. FINANCE & ADMINISTRATION

a) Mr. Kutnick presented one financial report, a statement of revenues and expenditures for January, and indicated that although a downward trend of revenues exists, the Port will project a surplus of 2.3 percent this fiscal year.

b) The Commission was asked to approve three Non-Civil service appointments made by the Executive Director during the month of February.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

5. PROPERTY & MAINTENANCE

6. MARITIME

a) The Commission was asked to consider a new five year agreement with Nedlloyd Lines which staff has negotiated by which pricing will be based on a per container formula, which is more consistent with steamship lines' own method of pricing, as well as agreements with our larger lines. This agreement no longer has a 90-day cancellation clause, providing a more secure and higher revenue producing agreement with the Port.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

b) The Commission next considered a proposed agreement with Empresa Linea Maritimas Argentina Lines (ELMA) for a five year term at Marine Terminal. Staff noted certain similarities with the Nedlloyd agreement; it is based on a per container pricing formula, has no ninety day cancellation notice and will provide improved revenue for the Port.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

7. ENGINEERING & PLANNING

8. LEGAL

9. NEW BUSINESS

As public comment, Mr. Barney Gould made the observation that "the Embarcadero freeway could have been torn down by this time". Vice President Bouskos acknowledged Mr. Gould's comment.

10. ADJOURNMENT

The meeting was adjourned at 4:20 p.m.

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PORT OF SAN FRANCISCO
CITY & COUNTY OF SAN FRANCISCO
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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 P.M., Wednesday, April 25, 1990.

1. ROLL CALL

PRESENT:	President James R. Herman Vice President James M. Bouskos Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner
ABSENT:	Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The minutes of April 11, 1990 were corrected to reflect two clarifications:

> Under Property & Maintenance, concerning the assignment of Hoei Trading lease to Alioto Fish Company, Paragraph 5.b) page 2: "Discussion followed on the rental rates in the area, with staff's position being that this rate is in accordance with the lease provision which has a 5 year CPI adjustment which accounts for and reflects the current CPI figures as published by the federal government.
>
> Staff indicated that although a restaurant operation is not a permitted use, according to staff's interpretation, and would require Commission approval, Mr. Alioto has not given any indication that he intends to change the use."

On motion of Commissioner Bouskos, seconded by Commissioner Coleman, and carried, the minutes were therefore approved.

3. EXECUTIVE DIRECTOR'S REPORT

At the request of Mr. Huerta, and there being no objection Item 4(b) was deferred until the next meeting, and Item 6(a) was deleted from consideration. The director presented a resolution for adoption of the strategic plan program to the Commission, but noted that formal adoption is set for the meeting date of May 9, in order to ensure full public participation in the process.

4. FINANCE & ADMINISTRATION

At the request of Mr. Kutnick, Fiscal Officer, and there being no objection, the following were approved:

One non-Civil Service Appointment for the month of March, 1990.
Refunds & Allowances for the month of March in the amount of $40,352.
Status of Accounts Receivables for March 1990.

At the request of Mr. Amano, Personnel Officer, the Commission was asked to consider a proposed salary increase for the Executive Director.

Upon the motion of Commissioner Bouskos, and seconded by Commissioner Wong, discussion was called for on the matter. Commissioner Coleman expressed the opinion that the Director should be compensated at least at the same level as that of the Director of Port of Stockton, with which Commissioner Bouskos agreed. Further discussion followed, and it was agreed that the proposed 6 1/2% increase was equitable. Therefore, there being no objection, the following was approved:

The proposed salary range of $98,774 to $120,562 for F.Y. 1990-91, the Executive Director's actual compensation at $120,562 for FY 1990-91, and Port Commission Resolution No. 90-30 which amends the 1990-91 budget to reflect this amount for the Executive Director's salary.

5. PROPERTY & MAINTENANCE

a) At the request of Mr. Conrad, Property Director, and on motion by Commissioner Bouskos, seconded by Commissioner Coleman, and carried, the following were approved:

Authorization to execute a Landlord's Waiver in connection with an SBA loan for Pier 23 Cafe, Resolution No. 90-32.

Sales & Rent report for the month of February 1990

Lease Nos. L-11559, L-11550 located respectively at SWL 337 and Pier 5 North.

6. MARITIME

7. PLANNING & ENGINEERING

8. LEGAL

At the request of Director Huerta, and with no objection, the Commission considered matters under New Business prior to withdrawing to executive session.

9. NEW BUSINESS

Mr. Kendall Young, president, Asian American Architects & Engineers, addressed the Commission on the recent RFP for Ferry Building seismic bracing. Mr. Young objected to the restrictive language of the request, citing it as discriminatory to minority firms, and emphasized that in the future, HRC must be more actively involved in the RFP process in order to have greater enforcement of Chapter 12(d).

President Herman acknowledged the speaker's observations and suggested that he submit a written statement for further review by the Commission, which would also serve to remind the Commission of its commitment to generate such equity.

On motion of Commissioner Bouskos, seconded by Commissioner Coleman, and carried the Commission withdrew to executive session at 4:45 p.m.

The Commission reconvened at 5:25 p.m. in regular session, at which time Deputy City Attorney stated that in executive session the Commission authorized the settlement of an unlitigated claim of Ronald Stone against the Port by payment of $20,000 and payment for accumulated compensatory time.

Under other business, Commissioner Coleman addressed the issue of a resolution introduced by him requiring public hearings prior to development and construction of hotels on the waterfront. He expressed concern that this could be a stumbling block to moving ahead with development of Pier 30/32, and therefore wished to rescind or amend this resolution. Further, the Port's Strategic Plan which calls for development of land use policies with full public participation makes the earlier resolution redundant. It was suggested that an action to supercede this resolution would be more appropriate.

Mr. Huerta noted that President Herman has drafted a similar resolution pertinent to this issue, and suggested staff do some outreach work on this issue with community groups, as well as having the legal staff review the resolutions.

Discussion on the possibility of a referendum or ballot measure on the hotel issue ensued, and Commissioner Bouskos stated that he absolutely refuted any right of the public to make a ballot measure out of any Port action, and wished to be on record thereto.

President Herman stated that he would like to present his resolution at the next regular meeting of May 9 with no action. At a special meeting on May 30 to which the public is invited to participate, the Commission would take action on this resolution determining development of an international cruise terminal and other uses at Piers 30/32. The Commission agreed to this schedule for discussion and determination.

There being no further business, the meeting adjourned at 5:35 p.m.

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PORT OF SAN FRANCISCO
CITY & COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CA 94111

MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 P.M., Wednesday, April 11, 1990.

1. ROLL CALL

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PRESENT:	President James R. Herman Vice President James M. Bouskos Anne Halsted, Commissioner Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner
ABSENT:	None

2. APPROVAL OF MINUTES

The minutes of March 28, 1990 were approved by motion of Commissioner Coleman, seconded by Commissioner Wong, carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta reported the recent acquisition of Continental Maritime by Service Engineering Company and indicated that discussions are anticipated with the management of Servco regarding future operations as a result of the merger.

In other matters, the Commission was apprised of a recent Appeals Court ruling striking down as unconstitutional a City ordinance requiring charities to have permits to sell merchandise on public sidewalks. Mr. Huerta noted that this could have serious impact on Fisherman's Wharf merchants since the Court has essentially upheld the right of T-shirt vendors to continue to sell their wares as an exercise of their free speech. City Attorney's office was asked to investigate the ramifications of this matter and to keep the Commission informed.

Item 6(a) a request for a use agreement with California Stevedore & Ballast to assemble a Maersk crane was deferred at the request of staff pending further developments.

4. FINANCE & ADMINISTRATION

a) Ben Kutnick presented one financial report, a statement of revenues and expenditures for the period ending February 28, 1990 for Commission review, noting revenues continue to be down about 2 percent.

b) Item 4b - Budget Summaries was deferred until the next meeting at the request of the Director.

5. PROPERTY & MAINTENANCE

a) Mr. Conrad asked the Commission to approve three lease agreements for property located at Pier 80 Administration Building, and Pier 50 Administration Building. Following a brief discussion, the Commission took the following action.

ACTION: Moved by Commissioner Halsted , seconded by Commissioner Bouskos, carried.

b) The next matter for consideration was a request to approve the assignment of interest of Hoei Trading America, Inc. to Alioto Fish Company, Ltd. for the premises located at Seawall Lot 302, Fisherman's Wharf. These premises are currently used to "conduct wholesale fish processing, fish storage, marine food preparations and such other uses as are reasonably related", and the Alioto Fish Company agrees that it is their intent to use the premises for these specific purposes only.

Discussion followed on the rental rates in the area, and it was agreed that basically this is in line with fair market rate. Further discussion followed regarding a current sublease with France Food and staff indicated that negotiations are ongoing between Alioto and France Food to continue this sublease. In response to Commissioner Halsted's inquiry, Mr. Frank Alioto acknowledged that he is trying to work out a lease agreement with Mr. Barbi, of France Food, in order that his firm can remain as part of the fish processing community.

President Herman asked if under the assignment could this area become a restaurant operation rather than remain as a facility for marine food preparation. Staff indicated that although such a possibility could exist, no indication has been given by Mr. Alioto's that he intends to change the use.

City Attorney Pizza opined that the use of this term "marine food preparation" has customarily been used to describe a fish processing operation, and therefore felt comfortable in assuring the Commission that this usage term addresses a fish processing operation.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman , carried.

c) Mr. Huerta gave a brief update of the next issue before the Commission, the proposed strategy for interim parking. The Commission received a briefing on June 28, 1989 showing a need for port-wide parking strategy. On December 13, 1989 there was an informational presentation on a proposed strategy for surface parking on seven seawall lots and a combined parking garage/retail orcommercial development on an eighth seawall lot. At that time, staff asked for Commission guidance whether or not to combine the seven surface lots into one bid package or to allow bidders to compete for individual surface lots. The Commission deferred the matter pending further study.

On January 10, 1990 staff informed the Commission that a limited environmental review would be required on three of the seven lots and a full environmental impact report required for the garage site. Staff recommended leasing SWL 322.1 for surface parking on an interim basis pending further planning studies and environmental review. Discussion ensued about the desirability of committing any seawall lots for parking garage development prior to a determination of development needs of adjacent piers.

On March 28, a parking bid package was discussed but not acted upon. Action was deferred for today's meeting, and the Commission expressed its strong desire to encourage minority-owned and disadvantaged businesses to participate in the bidding process. What is proposed by staff today is leasing the seawall lots on an interim basis. The recommended course of action is to bid out eight seawall lots, for temporary surface parking, SWL 321, part of 322-1, 323, and surrounding area, part of 324, part of 328, 329, and 330 for a short term period of 2 years allowing the Port to collect the maximum revenue, by rebidding them on a regular basis, making these lots available for long term development when plans are completed. This represents a good interim strategy without foreclosing any long term options. Staff recommended that two of the lots 348 and 327 have a 30-day recapture provision since these are closest to the Ferry Building, and lie in the path of the impending Embarcadero Parkway project.

The City Attorney's office and Human Rights Commission staff investigated appropriate measures for accomplishing the Commission's stated goal of encouraging minority-owned and disadvantaged business to participate in the bidding process. The Administrative Code Chapter 12-d governing minority business participation in its former version (which no longer exists) covered typical contracts, leases, and franchises meaning if you were a qualified minority small or women-owned business you were entitled to receive a preference. This ordinance was challenged on a constitutional basis by the Association of General Contractors. In the middle of litigation, the Supreme Court decided the Croson case which basically held that if preferences

were to be granted to minorities or women-owned businesses, there had to be findings established that there had historically been specific discrimination against those minorities or women.

Given the mandates of the Croson decision, and the fact that the ordinance was expiring, the City undertook to fashion a new ordinance which complied with Croson. This involved exhaustive research into types of contracts and services utilized by the City in order to establish any disparity in awarding contracts. These studies formed the basis for passing a new ordinance which allowed the City to give certain preference in awarding contracts. However, the new ordinance does not address the issue of preference in leases and franchises. If the Port desires to adopt a program giving preference to minority-owned businesses or women-owned businesses, described by the courts as suspect classes, we would have to do the Croson test, which is a fact-finding test. That is, we would survey the universe of people who woud want to lease property to see if there had been disparities. It would be similar to what the City undertook in adopting the new 12(d).

If the Port wanted to adopt a program that is gender and race neutral, and for small businesses, we would have to take an analysis along these lines but not in such detail. In summary this would be a program which would apply Portwide to all leases and franchises and would require rules and regulations to be adopted, an administrator. It would have to be determined by the City Attorney if a department can adopt a program of this nature as opposed to a Citywide program.

Mr. Huerta next asked for the Commission's guidance in structuring the bid, the issue which the Commission debated at the last meeting. The question was whether to combine all the lots into one bid package or as individual lots. In a combined package, there would have to be a mechanism to extract SWL Lots 348, 329, and 330 in order to maintain flexibility if the environmental process for these lots is delayed. Staff has no recommendation as to the form of bid package, but will defer to the wish of the Commission.

Commissioner Bouskos opined that he would like the Port to develop a comprehensive policy involving a full study and public comment to encourage economically disadvantaged business people so that the Port has a consistent direction. But he urged that this bid package not be delayed until such policy has been developed but rather that staff go forward with an RFB for parking.

Discussion followed on the comparative merits of combining the lots into one bid package as opposed to structuring the bid in smaller components. The possibility of a joint venture was also mentioned. City Attorney indicated that appropriate language can be included in the bid package to encourage small business participation, but no preference could be given.

Commissioner Herman recalled that in the early days of the Redevelopment Agency, under its aegis, parking lots were operated by a myriad of small operators, and he urged that this same method could also be used for our bid process.

Mr. Huerta stated that the Commission had two questions before them:

> Should a bid package go forward as a Port policy to encourage minority business participation is developed,or should a bid package be delayed pending development of this policy?
>
> Shall all the lots be combined into one package or shall they be separated into smaller components?

Commissioner Halsted moved to go forward with a bid package immediately, and this was seconded by Commissioner Coleman, and carried, and so ordered.

Commissioner Coleman moved to batch all the lots into one, and this was seconded by Commissioner Bouskos.

Staff briefly addressed the matter of the three lots which need to undergo environmental review, and explained that if the package is bid as one complete package, the bid will be structured in such a way as to extract them and still determine who is the highest bidder.

In response to inquiry by Commissioner Wong regarding the investment costs involved to improve some of these lots, staff acknowledged that a small, disadvantaged business person could be expected to come up with approximately $200,000 to bid on this a single lot package.

Commissioner Halsted inquired if our leases for parking incorporate language for the City's transit first policy, and the City Attorney replied that this particular bid did not mandate any parking rates. The Commissioner directed staff to bring back the request for bid for review by the Commission before adoption and approval.

At the conclusion of this discussion, the motion on the floor to combine all lots into one bid was moved, seconded and carried by unanimous vote.

Commissioner Coleman asked that the City Attorney clarify the question of a tie vote, if in the event one should be a minority bidder. The City Attorney indicated he would research that question for the Commission prior to the next meeting.

The Commission adjourned briefly and reconvened at 6:20p.m.

At that time,Commissioner Coleman asked for a roll call vote on the last matter before the Commission.

Ayes: Commissioners Halsted, Coleman, Herman, Bouskos, Wong.

5(d) The Commission was next asked to approve a resolution to authorize the Executive Director to execute a development memorandum with the San Francisco Sailing Center for Piers 24/26. This memorandum describes all the steps that must be completed before the Commission will consider a lease with the developer, some of which include obtaining all regulatory approvals. Mr. Huerta reviewed in detail all the conditions and terms of the development memorandum and the obligations of both the developer and the Port.

Commissioner Bouskos indicated that in the memorandum the developer has agreed to a competitive bid on parking for SWL 328, and said he would like an RFP which would provide an opportunity for a different operator.

Commissioner Herman expressed dissatisfaction with the use of SWL lots 329 and 330 for parking since this could impact adversely on Piers 30/32 and asked that Resolution No. 90-26 be amend to exempt these two lots.

The City Attorney suggested that the Commission approve the development agreement, which is on file, as amended per your request, and write an express disclaimer into the document , that that site would not be studied, nor would the Port consider that site for this project.

Commissioner Coleman inquired if there is a time fixed for non-performance condition included in the agreement, and was assured that a "drop dead" timeframe of 8 1/2 years has been built into this agreement. The developer was asked if they fully understood the intent of Article 5, and Mr. Redmond Kernan, project manager for the Koll Company, responded that they did understand the significance of this condition.

Following this discussion, the Commission by a motion from Commissioner Coleman, seconded by Commissioner Bouskos, voted to approve Resolution No. 90-26.

7. ENGINEERING & PLANNING

a) The Commission was presented with an informational briefing on the Mayor's proposal to replace the Embarcadero freeway. Mr. Huerta reiterated that no action was being asked of the Commission at this time, and also that two community groups have written in support of the Mayor's proposal.

Chief Harbor Engineer Cliff Jarrard briefly reviewed the proposal to tear down the Embarcadero freeway structure, and the construction of ramps to connect with the existing Embarcadero structure and touch down at Mission Street. A plaza the full length of the Ferry Building is proposed which extends to Washington Street on the north. The F line, which goes down to Fisherman's Wharf, would be placed in the median in front of the Ferry Building, eliminating a crossing at grade level.

Mr. Jarrard indicated there would be an underground tunnel which would give into Washington Street giving access to Chinatown. He pointed out that one of the advantages of the proposal would be from a safety aspect because there are fewer intersections that would be encountered. One of the disadvantages would be a lengthier construction time period of five years instead of four years.

Construction costs for this proposal would be $120 million as opposed to the $33 million to retrofit the existing structure. Funding sources are yet to determined for this project.

A brief discussion by the Commission followed on the merits of this proposal with no action being taken. President Herman suggested the Commission allow the process through the Board of Supervisors prior to taking any action, and this was agreed to.

There being no further business, the Commission adjourned at 6:30 p.m.

AMENDED MINUTES OF COMMISSION MEETING
APRIL 11, 1990

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Under Property & Maintenance, concerning the assignment of Hoei Trading lease to Alioto Fish, Paragraph 5.b) on page 2, the following is a clarification of the original minutes.

- "Discussion followed on the rental rates in the area, with staff's position being that this rate is in accordance with the lease provision which has a 5 year CPI adustment which accounts for and reflects the current CPI figures as published by the federal government.

  Staff indicated that although a restaurant operation is not a permitted use, according to staff's interpretation, and would require Commission aproval, Mr. Alioto has not given any indication that he intends to change the use."

The Commission by motion of Commissioner Coleman, seconded by Commissioner Bouskos, approved the minutes as amended.

PORT OF SAN FRANCISCO
CITY & COUNTY OF SAN FRANCISCO
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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 P.M., Wednesday, MAY 9, 1990.

1. ROLL CALL

PRESENT:
President James R. Herman
Vice President James M. Bouskos
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

2. APPROVAL OF MINUTES

The minutes of April 25, 1990 were approved on the motion of Commissioner Coleman, seconded by Commissioner Bouskos, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

The Director asked the Commission to approve and adopt the Port's Strategic Plan, Resolution No. 90-35, and on the motion of Commissioner Halsted, seconded by Commissioner Coleman, the Strategic Plan was adopted.

The Commission was advised of efforts to promote trade with the Port of Keelung and asked to approve a proclamation to establish a Sister Port relationship as part of these efforts. Both ports hope for better utilization of cargo facilities and the generation of economic benefit to each. Mr. Huerta will be visiting Keelung later this month and will present the proclamation at that time. Upon the motion of Commissioner Halsted, seconded by Commissioner Wong, Resolution No. 90-37 carried.

4. FINANCE & ADMINISTRATION

Mr. Kutnick, Fiscal Officer, presented the following matters for Commission consideration and approval:

Statement of Revenues and Expenditures for the period ending March 31, 1990.

Revisions to Port budget for fiscal year 1990-91 on the motion of Commissioner Halsted, seconded by Commissioner Coleman, carried.

Budget summary as requested by the Mayor's office, is a document detailing the goals and objectives by division and department. It is disseminated to the public as a means of communicating what the City's programs are for the current year, as well as the next year.

Commissioner Halsted asked that greater emphasis be placed on performance and goals in the maritime area, specifically in the areas of the cruise industry, and the fishing industry. On the motion of Commissioner Bouskos, seconded by Commissioner Halsted, the budget summary was approved.

5. PROPERTY & MAINTENANCE

Mr. Conrad, Property Director, presented the following matters for Commission review and approval:

Lease No. L-11560 for space in the Pier 50 Administration Building. Discussion followed regarding the appropriateness of a rent credit of $9,600 for renovation of the property. It was staff's contention that this was more economical than to undertake the necessary renovation in-house. On the motion of Commissioner Halsted, seconded by Commissioner Wong, approval carried with one no vote by Commissioner Bouskos.

The assignment of interest of Granex Corporation USA in Lease L-8550 for property located at Seawall Lot 354 to City & County of San Francisco was presented for consideration. This is part of a land assemblage by the City's Real Estate Department to establish a Municipal Railway diesel bus yard, and staff is negotiating for a long-term tenancy of all of Seawall Lot 354. Discussion followed regarding a request from a citizens' group, "Friends of Islais Creek" to preserve two structures on the Granex dock for landmark status. Staff believes there is certain liability for the Port because of the unsafe and hazardous condition of the wharf and the equipment.

On the recommendation of the City Attorney, the Commission by motion of Commissioner Bouskos, seconded by Commissioner Halsted, approved the assignment. The matter of Landmarks Preservation jurisdiction on maritime property will be further investigated by the City Attorney as requested by the Commission.

The Commission was next asked to approve the parking bid package prepared in accordance with Resolution No. 90-10. Issues such as tie votes, and the transit first policy have been addressed in this package. Commissioner Wong expressed concern that a two months deposit provides sufficient protection for the Port, and was advised that the Port has established minimum standards for acceptance of bids, therefore it is expected only bids from substantial companies with proven track records will be submitted.

On the motion of Commissioner Bouskos, seconded by Commissioner Halsted, the Commission approved alternative 2 to immediately issue the bid package, with announcement of the highest bidder withheld until a decision by Office of Environmental Review is given on those lots to be included.

6. MARITIME

The Commission was next asked to approve a new five-year agreement with Grancolombiana Lines at the South Container Terminal. Under the new agreement, estimated revenue to the Port from Granco's operations is estimated to be approximately $926,000 from wharfage and dockage.

On the motion of Commissioner Bouskos to approve the agreement with Granco, Resolution No. 90-36, seconded by Commissioner Coleman, carried, and so ordered.

7. PLANNING & ENGINEERING

The Commission was asked to approve and support efforts by staff to apply for and secure state and federal funds for improving the Ferry Terminal, as a means of improving the ferry system and relieving regional traffic congestion in the aftermath of the earthquake. Staff asked for authorization to proceed with a request to CalTrans and the Federal Highway Administration for a grant for this purpose. On the motion of Commissioner Bouskos, seconded by Commissioner Coleman, Resolution No. 90-42 was carried.

8. LEGAL

The Commission authorized and directed the Executive Director to enter into a contract for bond counsel services with the joint venture of Orrick, Herrington & Sutcliffe & Pamela S. Jue, Esq. This joint venture was chosen by a selection panel from a field of seven other law firms who were interviewed.

Commissioner Coleman asked that in the future, a more significant effort be made to select a strong minority firm as a prime, or as part of a joint venture, to allow more equitable contribution by both majority and minority parties and to dispel any inequities or appearance thereof. Mr. Pizza, Deputy City Attorney, noted that having had the privilege of working with this particular venture on several bond issues, he is very comfortable with its selection. He averred that although Ms. Jue's Port bond experience is somewhat limited,she will contribute equally in providing the services under this contract.

On the motion of Commissioner Halsted, seconded by Commissioner Coleman, Resolution No. 90-43 carried.

9. NEW BUSINESS

President Herman, on a motion by Commissioner Halsted, seconded by Commissioner Coleman, postponed the executive session discussion until after discussion of Resolution No. 90-45. This is the resolution pertaining to issuance of a Request for Proposals to develop an international cruise terminal center at Pier 30/32.

President Herman read the resolution directing that a public hearing be convened for discussion on the proposal to issue an RFP and which would propose a policy to limit hotel development on the waterfront to no more than two projects with a hotel as a component. He then asked for a motion to concur. Commissioner Halsted objected to the wording of the resolution before them, and Commissioner Coleman suggested that the second resolved clause should read "proposed policy" and also it should be noted that "action will be taken on this in the policy on May 30, 1990." After further discussion, it was so moved by Commissioner Coleman, seconded by Commissioner Halsted, to so amend. It was then moved to approve Resolution No. 90-45 as amended, and seconded. Discussion followed.

Commissioner Bouskos asked for a clarification of certain language of the resolution pertaining to "crew changes and visitors and additional parking" and was told that this is a union requirement by the Masters, Mates, and Pilots.

Mrs. Nancy Katz, representing Telegraph Hill Neighborhood Association, asked the Commission to postpone a decision on the cruise terminal until such time as the Cruise Terminal Study has been made public and thoroughly examined. She proposed a resolution be adopted by the Commission stating this postponement

Commissioner Halsted agreed that it is important to hear the entire issue, and encouraged the Commission to adopt such a resolution.

The President reminded Commissioner Halsted that there was a motion on the floor, and suggested that at the public hearing on the RFP the Commission will listen to all aspects of this issue, without restriction to comment, other than to time.

Staff will make a presentation of the cruise terminal study at the public hearing.

President Herman called for the vote, and it was carried and so ordered.

At 5:50 p.m., an executive session was announced by City Attorney for discussion of a settlement in the case of Healey v. CCSF, Superior Court No. 906-505, authorized under California Government code Section 54956.9, subdivision (c). At the conclusion of the executive session, the City Attorney stated that a settlement was reached in the amount of $25,000.

There being no further business, the meeting adjourned at 6:10 p.m.

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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 p.m. Wednesday, June 13, 1990.

1. ROLL CALL

PRESENT: President James R. Herman
Vice President James M. Bouskos
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting of May 23, 1990 were approved on the motion of Commissioner Coleman, seconded by Commissioner Bousko, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

In response to the Commission's directive, Mr. Huerta presented a resolution for adoption stating the Commission's intent and policy to authorize the development of not more than two hotels on property under Port jurisdiction. After a brief discussion, President Herman asked for a motion to adopt Resolution No. 90-63.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman, carried.

The Commission was next presented with a proposed work plan and schedule for issuance of an RFP for Pier 30/32, SWL 329, and 330. Staff briefly outlined the tasks involved including compilation of previous research, surveys of other successful cruise terminals, investigation of alternative operating arrangements, developing guidelines for ancillary uses, preparation and submission of required evaluation criteria. Staff also included preparation of a physical description of the site offering, research and preparation of an appropriate affirmative action policy, and preparation of a draft RFP as part of the process. It is anticipated that these tasks will take at least 10 weeks to complete prior to submission to the Commission.

Commissioner Bouskos expressed chagrin that it should take so long since the project was endorsed by the Mayor over two years ago.

President Herman agreed that this was very lengthy and urged staff to move ahead diligently. He noted that this matter is scheduled to be submitted to the Commission for review at the second meeting in August, and hoped that the suggested response time of two to three months can be reduced.

In conjunction with these tasks, staff submitted a proposed work plan and schedule for Pier 33, 35, and SWL 314 and outlined alternative strategies for the interim use for the cruise terminal at Pier 35. Staff requested Commission input on the proposed alternatives, and asked for guidance in choosing one of the two. The first alternative is for the Port to make the necessary improvements to the terminal ourselves which are estimated at about $900,000, and includes an elevator, and a heating, and ventilating system. Under this scenario, the present terminal operator would be retained and a marketing strategy would be devised for developing use of the pier during idle periods. The timeframe because of the regulatory process involved would be approximately five years.

The second alternative would be to offer a short term (5-year) operating agreement and issue a request for proposal for operating and marketing purposes. Under this arrangement, the Port would not suggest any improvements, but would ask the proposers to inspect and evaluate the terminal for upgrading the facility according to their own marketing and operating plans. This is a somewhat more complex effort but would enable us to turn the project around more quickly.

President Herman expressed surprise that we are looking at a prospective five years before a new cruise terminal would be realized, and asked staff for an explanation.

Staff offered the example of other development projects along the waterfront, specifically Pier 39's proposed aquarium, to cite what a process it is to go from the development stage to construction. Experience shows that the requisite permitting process, from environmental review to all other requirements, indicates five years is a realistic estimate.

Commissioner Bouskos suggested it is possible to fast track this project and urged staff to look at opportunities for doing so. The fact that this is a maritime project should make it more acceptable.

The final matter presented to the Commission under this category was a report on developing proposed long-range uses for the cruise terminal which had been requested by Commissioner Halsted. Since Commissioner Halsted is out of town, it was suggested that the Commission postpone consideration of this matter until the next meeting as well.

Commissioner Bouskos agreed, and made a motion to defer action on the issues as specified, which was seconded by Commissioner Coleman, and carried thereby deferring action pending further study and analysis until the next Commission meeting.

4. FINANCE & ADMINISTRATION

a) Mr. Kutnick introduced a new member of his staff to the Commission, Mr. Tom Berlick, who is joining the Port as a financial analyst and initially will work on developing the financial plan for our capital improvement projects.

Commission was presented with a statement of revenues and expenditures for the period ending April 30, 1990, reflecting the first ten months of the fiscal year. On the revenue side, we are below budget approximately $1,690,832.00 or 4 percent. And on the expenditure side, we are currently spending about 85% of the budget.

b) Commission was next presented with a proposed Charter amendment addressing several issues. Specifically, re-prioritizing the use of operating fund revenes to provide the highest priority to debt service; deletion of the requirement that Port Revenue Bonds be approved by the electorate; deletion of the Charter reference to Harbor Revenue Bond Act of 1951 which was repealed by the State Legislature; and finally, providing the Port Commission with authority to establish its own procedure for bond issuance.

The Commission discussed the matter, and took the following action.

ACTION: Moved by Commissioner Bouskos, seconded by Commission Wong, and carried.

5. PROPERTY & MAINTENANCE

a) Commission was presented with three leases L-11569, L-11563, 11553 for property located at Pier 23 and 33, and these were approved by motion of Commissioner Coleman, seconded by Commissioner Bouskos, and carried.

b) Staff requested the matter of Cory Galleries be deferred on the advice of City Attorney. Mr. Jerome Marks, representing Cory Galleries, the tenant who is seeking to sublease, asked to address the Commission, and President Herman accommodated him.

Brief discussion ensued regarding the presence of Mr. Marks' court stenographer and after it was determined that a transcript of the proceedings would be made available to him by the Commission Secretary, Mr. Marks presented his remarks. At the conclusion of his remarks, this matter was referred for discussion to executive session.

c) & d) Staff presented two companion items to the Commission. One dealing with Pier 39's desire to remove the deteriorated Pier 43, in order to generate fill credits required by BCDC and the second an update on the proposed Pier 39 underwater world project. A brief recession was called, after which President Herman stated that these matters would be heard for discussion purposes only at this meeting, and in deference to community concern no action would be undertaken until all factions have been given an opportunity to address these issues.

Mr. Erik Pedersen, vice president of Questar of New Zealand, and project director of Pier 39's underwater project, addressed the Commission and he reported that progress has been made with City Planning and BCDC Design Review Board on the proposed project. It is scheduled to go before the full board sometime in July. Mr. Pedersen walked the Commission through the project by means of illustrated drawings, noting that since the last presentation the project has been decreased by about 20% to try to minimize fill. The fill now stands at 21,600 square feet.

Mr. Pedersen highlighted the programmatic changes which were incorporated to enhance public participation and access to the project, such as the marine mammal center, and the veterinary laboratory of the aquarium which will now be visible for viewing by the public. An amphitheater and plaza area has been created which will permit the use of a remotely operated vessel (ROV) by community groups, such as the Bay Keeper, and other organizations interested in scientific water-oriented projects.

At the conclusion of Mr. Pedersen's remarks, Jack Pizza, Deputy City Attorney addressed the Commission, noting that they have before them two separate actions. Resolution No. 90-65 would authorize an amendment to the existing Pier 39 lease to add the aquarium as a permitted use under the lease, and would spell out business terms between the Port and Pier 39, relative to the aquarium. Resolution No. 90-61 would have the Commission authorizing a document which has been identified as the Pier 43 removal agreement. The aquarium project will be adding new fill to the Bay and BCDC regulations require that Pier 39 sponsor take fill out of the Bay elsewhere. BCDC rules require that this be somewhere in the vicinity. Pier 43 is an old, dilapidated pier on the northern waterfront, and in essence, what the removal agreement provides for is that the Port will give the right to Pier 39 to go in and remove Pier 43 in exchange for which the Port would allow the use of the credits generated by that to get the aquarium project through BCDC.

There has been some concern expressed by the Fisherman's Wharf community that by dedicating credit to Pier 39's project, they would not be available for certain other port projects which will be taking place on the northern waterfront, most specifically the Seafood Center. This issue has been dealt with at BCDC and staff is fairly certain that this is not a problem.

Commission was informed that deferring this matter until meetings have been held with the Citizens Advisory Committee and other interested and concerned groups can pose a problem for Pier 39 in that BCDC is holding up its consideration of the aplication until such time as the Port indicates that it is willing for Pier 39 to remove Pier 43.

In order to address everyone's concerns, it is suggested that the Commission allow the Executive Director to file an amended application as a co-applicant, indicating that Pier 43 removal will more than likely be part of the project, and at the same time, the Commission will direct the Executive Director to meet with the Fisherman's Wharf Citizens Advisory Committee to discuss the issue of fill credits. The Commission would not authorize the Director to either execute the removal agreement or the lease amendment, and would defer action on those items for two weeks. This would allow the application to start through the process at BCDC, and not delay the project, while addressing the concerns of the community. If, after the community concerns have been dealt with, the Commission decides it does not want to go ahead with the removal, which would have been stated as conditional in the application, the Port can pull it off the table.

Mr. Pizza then read into the record the suggested amendment to Resolution No. 90-61, which deletes the resolve clause currently there and substitutes two additional resolve paragraphs.

"RESOLVE that the Port hereby directs its Executive Director to co-apply for an amendment to the application to BCDC forUnderwater World, to include the removal of Pier 43 and the utilization of credits thereby generated for Underwater World, and

BE IT FURTHER RESOLVED, prior to approval of Pier 43 removal agreement, the Director is directed to seek an opportunity to have the agreement reviewed by the Fisherman's Wharf Citizens Advisory Committee and thereafter bring the agreement back to this Commission at its June 27, 1990 meeting."

President Herman stated that the Commission accepted the amendment to Resolution No. 90-61 as reaffirming how the Commission proposes to proceed in this matter. That is, no final action will be taken today, and in effect, will defer a final decision and will at the same time direct the Executive Director to co-apply. The Director was also directed to make arrangements with the Citizens Advisory Committee for a full report and feedback from the CAC, prior to the next scheduled Commission meeting on June 27.

ACTION: Moved by Commissioner Bouskos to approve Resolution No. 90-61 as amended, seconded by Commissioner Coleman, and carried.

Two persons from the audience who had expressed a desire to address this issue elected to postpone their comments until after the CAC meeting. Mr. Chris Martin did commend the Commission for its action today in deferring this matter but reiterated the concern of the CAC and the Fisherman's Wharf community that these land credits not be jeopardized since they have been landbanked for years for the fishing industry. He acknowledged that this Commission has been particularly supportive of these interests, and was confident that they would continue to be.

Sue Hestor, an attorney, addressed the Commission and expressed her outrage that special notice was not given that this matter was on the agenda to those persons who had been dealing with this project for the past 2 1/2 years. Ms Hestor contended that assurances were made that this matter would not be brought back to this Commission until after the BCDC matter was over, and there is correspondence between the Port and BCDC confirming this.

At the conclusion of this matter, Mr. Conrad announced that the Port will participate in a Citywide soft-ball tournament to benefit the Organization to Aid Battered Children. Mr. Conrad explained that some of the costs will be underwritten by Commissioner Bouskos who invited the other Commissioners to join in supporting this worthy cause.

6. MARITIME

a) The Commission was asked to approve a five percent increase to the tariff dockage rates, due to the increased costs of labor and materials required for maintaining docks. The increase is expected to generate approximately $70,000 in additional revenue for the Port for 1990/91.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

b) The Commission next reviewed and approved a new five-year Marine Terminal Agreement between the port and Naviera Interamericana Navicana S.A. This agreement is consistent with our other new terminal agreements and it is estimated that revenues will be approximately $75,000 during its life.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

c) Staff next presented a new five year Marine Terminal Agreement with Splosna Plovba Piran (United Yugoslavia Line) which will go into effect on August 1, 1990. Under this agreement, wharfage will be assessed on a per-TEU basis according to a new sliding scale, and it is estimated that revenues will be approximately $300,000 from wharfage and dockage.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

d) The next matter presented to the Commission was a new Marine Terminal Agreement with Evergreen Marine Corp.(Taiwan) Ltd. at the South Container Terminal. Mr. Peters noted that under this new agreement Evergreen has guaranteed an annual minimum thruput 23,000 TEUs and 49 vessel calls. The agreement offers enhanced security for the Port since the 90-day cancellation provision has been excised. Moreover, the agreement provides an incentive for Evergreen to exceed its thruput minimum guarantee. Estimated revenue to the Port from Evergreen's operations is estimated at $5,950,000 from wharfage and dockage over the life of this agreement.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

Commissioner Coleman congratulated Director Huerta, Roger Peters and all the maritime negotiating team for the stellar achievement.

7. ENGINEERING & PLANNING

a) The Commission was next presented with a request to approve a contract for topographic survey work at Piers 80, 94,& 96, which is necessary as a result of the earthquake. This survey data will be used for comparison to determine if the subject piers were adversely affected. Because of the magnitude of survey work, the Port sought outside assistance to perform the survey and issued a Request for Proposals. As a result, three proposals were received, and a selection has been made from these three qualified firms. The Commission was therefore asked to approve a contract with Towill, Inc. for performance of this work.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

b) Staff presented the Commission with Resolution No. 90-66 expressing its support of the World Centre's ideals and principles. The Commission has previously reviewed the World Centre's program and development ideas, and by this resolution directs staff to explore the opportunities for development.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

8. LEGAL

The Commission adjourned to executive session for discussion of Item 5(b) a request by Cory Galleries, a Port tenant, to sublease to A & M Enterprises. At its conclusion, Deputy City Attorney Pizza stated that the following amendment to Resolution No. 90-58 was moved by Commissioner Wong, seconded by Commissioner Coleman, and carried. Mr. Pizza read the language of the amendment into the record as follows:

"The Commission hereby authorizes the Executive Director to consent to a sublease dated April 27, 1990 between Cory Galleries Inc. as sublessors and A & M Enterprises as sublessees, subject to all terms and conditions contained therein, and subject to the Executive Director reaching agreement on any outstanding issues under the lease with the tenant, and

BE IT FURTHER RESOLVED the Commission consents to the holdover tenancy of Bennett Sculpture up until July 15, 1990, and

BE IT FURTHER RESOLVED that should the Executive Director fail to reach agreement with the tenants, that this matter should again be submitted to the Commission at its regular meeting on June 27, 1990."

Commission continued in executive session for instructing Port's negotiator regarding the acquisition,lease and/or exchange of real property located in that area bounded by China Basin Channel on the north, Mariposa Street on the south, Illinois Street on the west and China Basin on the ssseast, as well as parcels east of Illinois Street, bounded by the PG&E power plant on the north, and Pier 80 on the south.

The Commission meeting adjourned at 7:25 p.m. with no further discussion.

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PORT OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The San Francisco Port Commission convened in regular session in Suite 3100, Commission Room in the Ferry Building at 4:00 p.m. Wednesday, July 25, 1990.

1. ROLL CALL

PRESENT:
President James R. Herman
Vice President James Bouskos
Dr. Arthur Coleman, Commissioner
Anne Halsted, Commissioner
Douglas F. Wong, Commissioner

2. APPROVAL OF MINUTES

The minutes for July 11, 1990 were approved on the motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta announced the homeporting of the Crystal Harmony, a Crystal Cruise ship which is a subsidiary of NYK Line of Japan, noting this is the first time since the war that this Japanese shipping line has been in the cruise business. This is a vote of confidence for San Francisco to be chosen as the homeport for the summer season.

The automated gate system at the Pier 94/96 terminal was recently completed, and now provides that trucks entering the terminal are previewed on video camera, and all necessary information is fed into the computer system, and the truck is pre-cleared either to pick up or unload. Mr. Huerta indicated this should greatly improve the efficiency of truck movement at our South Terminal. Together with the North Terminal operation, the Port now has two fully automated terminal gates.

The Director moved next to the proposed work plan and re-use analysis for Piers 33 & 35 and SWL 314 and asked Rick Wiederhorn to present the report to the Commission. He summarized the major tasks as identifying and compiling a list of potential uses, identifying development potential for a mixture or combination of preferred uses, identifying outstanding issues associated with each use or combination of uses. Staff will present a progress report within forty-five days outlining results of market research and issue identification.

Staff will then determine a development concept and program, consult with City Planning, BCDC, State Lands Commission, and review its conclusions with the Commission.

The next step will be the preparation of an illustrative site development plan and design concept, to be reviewed by the Commission, City Planning, BCDC and other community organizations for concurrence to guidelines. Staff estimates it will take approximately six months for this process.

The Commission expressed some concern regarding the setting of planning priorities, as well as the length of time involved in this process.

The second issue was a discussion of two alternative strategies for interim use at Pier 35. Alternative 1 would maintain the "status quo", with minor improvements made by the Port to mitigate passenger discomfort, such as an elevator, and traffic management, and would require minimal investment by the Port.

Alternative 2 would entail offering a short-term lease for marketing, managing and operating the terminal as it exists. The Port will look for a proposal which would upgrade the facility according to the operational and marketing plans of the proposer. Proposals would be evaluated on cruise services offered, plans for use in idle periods, marketing plans, and the extent of physical improvements proposed. It is anticipated that both alternatives will be a lengthy process.

The Commission received the report for review, and President Herman suggested that this matter be brought back to the Commission on August 22, 1990 for conclusion.

The Commission consented to carry over Item 5 b) and Item 7 b) until the next regular Commission meeting on August 8, 1990.

4. FINANCE & ADMINISTRATION

The Commission accepted three financial reports:

Refunds & Allowances June 1990
Status of Accounts Receivables June 1990
Sales & Rent Report May 1990

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman, carried.

5. PROPERTY & MAINTENANCE

a) The Commission reviewed and approved leases for properties located in the Agriculture Building, Pier 28 bulkhead building; World Trade Center, and the Ferry Building.

In the matter of the Regina del Mare, Ms. Schimke noted that the square footage of this lease had been remeasured, resulting in some minor changes in the terms.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

6. MARITIME

7. ENGINEERING & PLANNING

a) The Commission next reviewed a request for a proposed vacation of Main Street between Bryant Street and The Embarcadero, the purpose being to utilize the vacated street for replacement parking to mitigate the loss of parking spaces from street closures during the post-earthquake period.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

8. LEGAL

9. NEW BUSINESS

Mr. Barney Gould spoke to the matter of the lease for the Regina del Mare expressing appreciation for the Commission's decision. He suggested that the Commission might be pleasantly surprised at what an enterprising operation this is.

Mr. Kevin O'Brien, a long-time tenant at Pier 33 asked for the Commission's assistance in a matter involving his leasehold property and a second Port tenant. President Herman advised Mr. O'Brien that he would take the matter up with staff for more particulars and Mr. O'Brien will be advised further in this matter.

Commissioner Bouskos asked that staff investigate the problem of skateboarders on Port property, citing his concern about Port liability in the case of accident or injury. City Attorney Pizza promised to report back to the Commission on this matter.

Commissioner Wong asked the Executive Director for an update on the matter of the California Cafe, and was advised that this issue is still unresolved, pending further action and decision by CalTrans in the matter of the freeway being removed.

10. There being no further business, the meeting was adjourned at 5:40 p.m. by motion of Commissioner Coleman, seconded by Commissioner Bouskos, carried.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission met in regular session on August 8, 1990 in the Commission room. President Herman convened the meeting at 4:10 P.M.

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1. ROLL CALL

PRESENT: James R. Herman, President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: James M. Bouskos, Vice President

2. APPROVAL OF MINUTES

The minutes of the meeting of July 25, 1990 were approved by motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

a) At the request of City Attorney Louise Renne, discussion of the proposed affirmative action program for the Port was deferred. The City Attorney has pledged to provide the necessary guidance to develop an iron-clad program to meet the Port's affirmative action requirements. The matter will be rescheduled for the next regular Commission meeting.

b) The Commission authorized the Executive Director as its official delegate at the American Association of Port Authorities 1990 Annual Convention to be held in Nassau, on October 22-26, 1990.

4. FINANCE & ADMINISTRATION

a) Commission was presented with one financial report, the preliminary Statement of Revenues & Expenditures for the period ending June 30, 1990, reflecting $1.3 million in surplus funds.

5. PROPERTY & MAINTENANCE

a) Commission approved two leases for space in the Agriculture Building, for tenants who were relocated due to the earthquake and are both returning.

Lease No. L-11582 was deferred pending further negotiation.

b) Commission authorized the Director to sign a landlord's waiver for La Rocca Seafood Inc. in order that this tenant may obtain an SBA loan to cover earthquake damages. Under this document, which is similar to an estoppel certificate, the Port agrees that in the event of default, the SBA may enforce a lien against the secured properties. City Attorney has reviewed and approved the documents according to form.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

c) Commission approved a one year lease of Pier 1/2 to Harbor Carriers, Inc. for use as its San Francisco Ferry Terminus. Ms. Schimke addressed the details of the lease, and noted that she is awaiting the signed documents from Harbor Carriers Seattle office.

ACTION: It was moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

d) Commission next reviewed a lease for a portion of Pier 9 to Harbor Carriers Inc. for use as a ferry maintenance area, water taxi service, and parking office.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

e) Commission approved a short term agreement between the Franciscan Restaurant and Festa Italiana for use of the parking lot at Pier 43-1/2 for the duration of this annual Fisherman's Wharf event. Festa Italiana will provide Public Liability insurance and name the City & County of San Francisco as additional insureds on the policy.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

Item (f) Third Amendment to Pier 39 Lease was deferred until the meeting of August 22, 1990.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

6. MARITIME

7. ENGINEERING & MAINTENANCE

a) This item was deferred pending further inter-agency discussion.

ACTION: Deferral approved by motion of Commissioner Halsted, seconded by Commissioner Wong , carried.

9. NEW BUSINESS

President Herman spoke to the issue of Mission Bay, stating his support of the plan and the Citywide objectives implicit in the plan. (remarks follow)

"The Port, recognizes public desire for open space on the waterfront, and has offered twenty-two acres of prime industrial property for parks which once given up will never be used for anything other than parks. The Port cannot be expected to subsidize this plan, the Port has to be fully compensated for land lost and cannot be subjected to any other financial burden of the project.

"The Port intends to keep running a working port next to the Mission Bay neighborhood. Rail access must be guaranteed, adequate parking and circulation must be maintained for Port tenants. There must be recognition and acknowledgement by all parties that the Port is a working port next door. These and other concerns involving the Port will be discussed by the Commission at a special workshop involving full public participation and comment.

"I raise this because we are regularly confronted with an appetite for public parks and in most instances at the expense of preserving industrial properties. Very little credit is given to the Port for a $6 million expenditure to transform Pier 7 into a public fishing pier exclusively for citizens' use.

"The preoccupation of parks at the expense of preserving legitimate industrial needs is in my own judgment deplorable. There is nothing mutually exclusive about a public park and an industrial site.

"No city can survive if we simply vacate indiscriminately the availability of industrial sites for industrial development. This City has suffered grievously in the last twenty years in a loss of good, attractive industrial jobs.

"This waterfront, not by design or desire, has been changed from being an industrial area. The increasing appetite to engage in extraordinary activity that preempts a continuation of woefully inadequate industrial availabilityis alarming. This city provides more parks and recreational facilities than any other city that I know. If the Planning Commission entertains the notion that the only thing that is acceptable is parks, at the expense of industrial development, then this city will become a ghost town. We have allowed too many jobs, and too many business opportunities to be abandoned in the name of having parks.

"This Commission has developed fishing facilities, encouraged promenades, the Port has always risen to these occasions. But the questions has to be asked, what happens when all that's left are parks, where will people go to work, how will taxes be paid. There are thousands of jobs that have been lost.

"Specifically, this Port Commission has left no stone unturned in accommodating the Mission Bay project, but to expect unlimited, unending sacrifice of industrial opportunities of which the City has enormous dependence on, will have an inevitable devastating effect on the best interests of the City."

At the conclusion of President Herman's remarks, the Commission withdrew at 5:20 p.m. to executive session for discussion of pending litigation, in the matter of CCSF v Continental Development Corp, San Mateo Superior Court No. 306-225.

The Commission reconvened to regular session, and by motion of Commissioner Coleman, seconded by Commissioner Halsted, the meeting was adjourned at 5:40 p.m.

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PORT OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO
SUITE 3100, FERRY BUILDING

MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 p.m. Wednesday, Aug. 22, 1990.

1. ROLL CALL

PRESENT:	Vice President James M. Bouskos Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner Anne Halsted, Commissioner
ABSENT:	President James R. Herman

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2. APPROVAL OF MINUTES

The minutes of Aug. 8, 1990 were approved on the motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

In view of the presence of Nedlloyd's Vice President of Operations and Logistics, Mr. Henry DeWitt, Mr. Huerta asked the Commission if Item 6a could be presented ahead of the Director's Report.

Mr. Roger Peters, Acting Maritime Director, introduced Mr. Henry DeWitt of Nedlloyd Line to the Commissioners. He then presented for Commission approval an amendment to the recently concluded 5-year Marine Terminal Agreement with Nedlloyd which became effective April 1, 1990. This amendment would include a guarantee of 23,000 TEUs and 49 vessel calls for Nedlloyd's new transshipment service. For these guarantees Port staff has negotiated a contract that would provide termination provisions at year 1 thru 4 at the Port's most favored rate level. Nedlloyd will utilize the Port as a "Hub". San Francisco will be the port they will call on the West Coast for their South American, Central American, Caribbean and Far East service. The amended agreement will generate an estimated $2,000,000 in new revenue per year from wharfage, dockage and crane rental. This new amended agreement starts on September 8, 1990.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

The Commissioners and Mr. Huerta commended Mr. Roger Peters and all of his staff in the Maritime Dept., Engineering Port staff, and all other Port staff for work well done. Mr. Huerta also thanked Nedlloyd, Metropolitan California Stevedore Co. and U.S. Customs Service for their hard work in making the deal a reality.

Mr. Huerta requested deferral until Sept. 12 of Item 5b (Approval of 3rd amendment to Pier 39 lease which permits the additional use of an aquarium and establishes a rental structure for the aquarium) in view of the fact that BCDC elected to hold over this issue until their next meeting on Sept. 6. No objection from the Commission.

Mr. Huerta next reported on Item 3a - Interim uses for Pier 33/35. Port had previously presented the Commission with 2 alternatives for interim use of Pier 35 passenger ship terminal.

Alternative 1 would involve the Port to maintain current operating arrangements and make minimal investments to improve passenger facilities. Alternative 2 was to offer a short operating agreement whereby the Port would offer some sort of a lease and request the developer or operator to come in and make improvements and let them operate the terminal on a lease basis. The relative merits were presented and discussed with the Commission previously and Commissioner Halsted had asked as to where the terminal operator (Metropolitan California Stevedoring Co.) was on this.

To respond to Commissioner Halsted's query, Port staff subsequently met with MCSC and presented them with the 2 alternatives and how they would be carried out. Their views were asked on how we might develop some sort of interim program. They responded that it was of the highest priority that their ability to operate the terminal is kept as a central feature of whatever Port elects to do there. They also pointed out that they could work within either framework but they felt it was very important that if Port were to go the route of an operating agreement that it be explicitly spelled out in the development agreement that the steamship passenger activities should always take precedence over any other activities. Mr. Fergus Moran of MCSC concurred with Mr. Huerta's summary of their meeting.

Commission was to weigh the two alternatives and make a choice and direct staff accordingly. Commission decided to hold off making a decision until President Herman is present when they vote on it. This matter will be continued on the next meeting of Sept. 12.

Dr. Coleman asked if staff had a recommendation on this. Mr. Huerta's views were that if Port elected to go for Alternative 1, Port would have to front the money out of its reserves and out of its capital program which would impact other projects. It would also take longer to accomplish because of the City's somewhat cumbersome procedure. On Alternative 2 the concern is we might lose some control but are confident we can deal with the control issue. Another concern is if there would be developer interest due to the relatively short term operating agreement Port would be able to offer for the terminal. In terms of simplicity, Alternative 2 would probably be the quickest and easiest and Mr. Huerta said his choice would be Alternative 2, if asked for a recommendation. Dr. Coleman asked what would be the cost and timetable for Alternative 2. Overall process would take 6 to 8 months at minimal cost.

Item 3b Mr. Steve Amano was asked by Mr. Huerta to give an informational update on the status of an organizational review contract. One of the goals in our strategic plan was to work on the improvement of our organizational effectiveness and toward that end staff is putting together a plan for an organizational analysis, which is a fairly comprehensive review of the organization from top to bottom. It starts with the overall organization structure, what reporting lines exist, how work is organized into units, all the way through the organization down to individual positions where we individual task analysis would be done which consists of breaking down how certain jobs are performed, responsibilities, what decisions are made at different levels in the organization.

In discussions with other ports who have done these studies, it was determined that it seems preferable that to do it right we should go all the way through the process. Staff will be submitting to the Port Commission in September an RFP, using an outside expert to ensure: 1) impartiality in whatever recommendations come out, and 2) bring in some expertise which we may not have on staff level. We will be proposing to solicit proposals and select a contractor to do a study of this magnitude.

Commissioner Bouskos asked what the timetable would be for the final study. Mr. Amano projected that a detailed comprehensive study could take 4-6 months to complete. Mr. Huerta interjected that this is a very small time frame compared to other ports (Port of Seattle, Port Authority of New York and New Jersey) who have done similar studies and taken 1 to 2-1/2 years to accomplish the process. The Port of New York & New Jersey studies which took 2-1/2 years to accomplish were considered a failure by most of its managers In discussions with consultants, it became apparent that dragging it out doesn't necessarily seem to have a greater benefit, in

fact it has more of a detrimental effect as it keeps everything in an uncertain state for a long time period of time. Therefore, the Port would favor the quick intensive approach as being more productive in getting everything accomplished. Time really is not a factor, it's more the quality of the scope of work being done. This is part of our strategic plan which is highly recommended by our advisory panel to take an inward look at tasks and functions and make us run a little more like a business.

Item 3c Port Commission directed staff several months ago to commence work on an Affirmative Action program for Port development leases. This represents the first phase and a much broader look at Port objectives to ensure that Affirmative Action goals are being met in our Property leasing activities as opposed to our contracting activities.

What is being presented to the Commission today is the Port development lease and two alternative programs that were developed through extensive consultation with the Human Rights Commission, City Attorney's Office and the Port staff. The two programs are similar in that both begin with a statement of policy on the part of the Port Commission that it is the policy to encourage full and equitable participation by all firms in all aspects of a development proposal.

Alternative 1 can be defined as good faith efforts by affected parties to ensure minority and locally based enterprise participation. It would require that these firms be certified. There would be an administrative review of the good faith efforts, a mechanism for arbitration of unresolved disputes and sanctions would be specified for non-compliance with the objectives of the good faith efforts program. Central to requiring the good faith efforts would be a finding that the Port Commission would need to make of past discrimination not in Port contracts but in the industry. This could be supported by affidavits which would be presented by firms of past discrimination in specific instances. Once these affidavits are assembled then the Commission would be in a position to require good faith efforts to remedy the problem.

Hand in hand with the good faith efforts would be an effort to certify minority business enterprises and women owned business enterprises. This would require an application on their part which would specify their ownership and employee information and the certification would be for a limited period of time. The burden of proof with respect to the M/WBE status would be on the party making the application for certification and the determination as to whether they meet the requirements would be made by the Commission and staff. If a chosen firm does not qualify they would have to be notified.

Now that you have the mechanism for requiring good faith effort, and there would be a mechanism for ensuring what is a M/WBE enterprise, there would be an administrative review which would be part of contracts awarded pursuant to a development agreement. Information would be provided to our staff within a certain number of days of award or selection of a contractor by one of our developers. Port would then be called upon to make a finding as to whether the good faith efforts were sufficient to meet the goals of M/WBE as pertains to the affidavits we received. If we disagree with our developer, there would be a mechanism for dispute resolution. If there were a dispute between the developer and the contractor, it would first come to the Port Commission for resolution. If we determine good faith efforts have not been fulfilled, we can meet with the party and try to resolve the issue or either of the affected parties could propose that there be arbitration. The remedy we would propose to impose ahead of arbitration would be a restraining order which would prevent contracts from being let, mechanisms to refrain from entering into new contracts or directing the developer to cancel, terminate or otherwise suspend contracts that we do not feel have met the good faith efforts test. We would also propose that there be certain financial penalties of up to $50,000 for each breach of good faith efforts requirement. If the developer or contractor does not agree, then it can go to arbitration. Our program would lay out what our mechanism for arbitration would be. In that regard we would propose to model our arbitration program on that used by the Redevelopment Agency. The Port Commission would provide a list of arbitrators and the affected parties and select arbitrators from the list.

This program would provide the flexibility for future amendments to set specific goals if statistical analysis is done by the City or by the Port that would demonstrate the validity of a specific goal oriented program. Although it is a rather complicated program, we feel that it will go a long way toward meeting goals specified by the Commission. It does take time since the basis of the program would be affidavits from affected contractors. We need to allow them sufficient time to submit the affidavits and it would need a reasonable time frame to get the broadest possible sample. Assuming the Commission would elect to go with this alternative, we would immediately be able to request affidavits from interested parties and give them one month to respond. We would expect to receive affidavits back around Sept. 21. The City Attorney and Port staff would need time to review these and develop initial findings which could take until Oct. 5 and then there will need to be a determination by the City Attorney of findings which are based on the affidavits which could probably happen by mid-October. Then we would have to finalize our program and the good faith efforts that we would require, the sanctions that would kick in if the

program is not met and the whole thing would need to be adopted by the Port Commission which we feel could take up to the Oct. 24 meeting. If we were to elect to go this route we don't really have a program until the end of October.

The second alternative is also a good faith efforts program but has two components. It would be a good faith efforts requirement for M/WBE participation in development agreements with no penalties because we would not have gone through the process of soliciting afffidavits. Therefore, there would not be the finding of past decrimination to support penalties. At the same time we could incorporate into it a race and gender neutral disadvantaged business enterprise component which would include penalties. The program would call for voluntary good faith efforts and it would also incorporate a plan for disadvantaged businesses into a proposal. To make it work we could request the developer itself to propose a program that would meet the broad goals that the Commission has laid out for M/WBE participation, but will be unable to threaten them with sanctions if they weren't in compliance. We could further provide that with respect to consultants, prime contractors and sub-contractors that they propose a program of how they would solicit disadvantaged businesses, recognizing that the program would be race neutral but we would be able to impose penalties if they did not have adequate representation by disadvantaged businesses. The advantage of this program is we could develop it very quickly and have it for adoption by the Port Commission at its next meeting on Sept. 12.

In terms of comparison of the two alternatives, they start in the same place with the statement of policy by the Commission to ensure M/WBE participation. The first alternative requires time to solicit affidavits from the minority contracting community of past discrimination and based on these affidavits we are able to impose sanctions if the firms good faith efforts do not address evidence of past discrimination. Neither program, however, ensures that there will be minority participation.

The City Attorney has approved both programs and we would like the Commission to give the staff some direction to pursue. Staff will have to know which program to incorporate in the RFP for Piers 30-32 which will be presented for approval on September 12. If the Commission elected to go with the first program for this RFP, we will not be able to issue the RFP until the program is together. Therefore the RFP would not be able to go out until the end of October. If the Commission elected to pursue the second alternative, we would have adequate time to incorporate it into the RFP for approval as scheduled on September 12. The Commission might want to consider a combination of the two alternatives and that would be to take

the second shorter alternative for the RFP that you have before you today which is working on a schedule suggested by the Commission and then incorporate the other program for the longer term.

Commissioner Halsted asked how a disadvantaged business is defined. Mr. Huerta explained that a disadvantaged business would be a policy which would be laid down by the Port Commission and is based on general economic trends in the region. San Francisco Airport has a disadvantaged business program which they define as a small business and which they've had for 5 years and working well. Small businesses are not necessarily a failing business but are put under a disadvantage in bidding for a contract because they do not have the economic scale of a larger firm.

Commissioner Bouskos favored the second proposal because of expediency for projects presently in the pipeline and meets the timetable. However, he requested that the first proposal be developed as soon as possible as our policy and guideline.

Commissioner Coleman and Commissioner were interested in hearing from the Human Rights Commission for their views on these alternatives.

Zula Jones of the Human Rights Commission addressed the Commission and said she had been working with Port staff in drafting the proposals and also with some of the minority businesses that came on May 30 and made testimonies at the hearing regarding the need for a program. Both alternatives were presented and they thought both would work.

ACTION: Commissioner Coleman moved for the 2nd proposal on all current projects and the 1st proposal on new projects. Seconded by Commissioner Bouskos, carried.

To clarify the motion just passed, the 2nd proposal which is the disadvantaged business program and the general policy statement/good faith efforts for minority business enterprises will be implemented immediately. At the same time staff will start work on the first alternative which is the much broader program involving sanctions for non-compliance. Once the work is done on that we will immediately change over to the first alternative. Mr. Huerta stated that the second alternative would be brought before the Commission on Sept. 12 and then the first alternative would be brought before the Commission on October 24 for final action.

Next Mr. Huerta informed the Commission that the Property Dept. has been working very hard on a general spruce up, clean up program for the Fisherman's Wharf area. This program is consistent with one of our strategic plan goals to provide a higher level of service to our customers and tenants at Fisherman's Wharf. Mr. Huerta commended Diane Artz, Dorothy Schimke and Michael Janis for the hard work they did on cooperation with the tenants at Fisherman's Wharf to make the area cleaner and safer for tourists.

Finally, Mr. Huerta announced that the Communications Task Force has put together a program of free boat tours of the San Francisco waterfront starting on September 15 and running through October 11 (6 free tours in all) to give the public the opportunity to learn more about the Port's 7-1/2 miles of waterfront.

4. FINANCE AND ADMINISTRATION

a) Commission was presented with two financial reports, Refunds and Allowances and Status of Accounts Receivable for the period ending July 31, 1990.. Mr. Kutnick pointed out that our Accounts Receivables of less than $1-million are the lowest they have been in a long time.

b) Mr. Kutnick next requested approval to apply for, accept, and expend $2-million of Unitary Tax Funds budgeted by the State Legislature in their 1990-91 budget. Unitary Tax Funds must be used for economic development and capital infrastructure projects and this would fund a portion of the gap for Pier 45 earthquake restoration works.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

Commissioner Bouskos commended Veronica Sanchez, Carol Brown and Michael Huerta for all their work in securing these funds. Ms. Sanchez in turn thanked all the Commissioners who made phone calls at the right moment.

c) Mr. Kutnick next requested approval for the purchase of a whaleboat for promotional purposes. The San Francisco Whalers, as well as the Ports rowing team, have been participating in the yearly whaleboat race at the Port Promenade. The Port's team has been borrowing a whaleboat from the Sea Scouts organization to participate as well as to practice in. However, this is no longer available and leaves the Port of San Francisco's team without a boat to row in practice or in competition. The Port has located a 1934 U.S. Coast Guard whaleboat in very good condition that is on sale for $10,000. The proposed funding source is the San Francisco Port

Commission Promotional Fund wherein an ordinance was established that the funds be appropriated exclusively for the purpose of promotional activities. Mr. Kutnick stated that funds are available in this account and felt the purchase of a whaleboat a good use of monies that is not in our operating budget and a one-time expenditure. The whaleboat would also be used at other promotional functions at the Port such as Festa, Fleet Week, etc.

The Commissioners concurred that this purchase would be a great promotion for the Port.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

5. PROPERTY AND MAINTENANCE:

a) Ms. Dorothy Schimke presented for Commission approval four leases, two in the Agricultural Building, N.Y. Frankfurter Co. and Sinbad's. The other two are in the World Trade Center, both existing tenants, Dr. Ranuska who is expanding into a import/export venture and Archer Travel Arrangement who needed a smaller space due to reduced business volume/number of employees. Ms. Schimke requested deferral of two other leases (San Francisco City & County Water Department located at Pier 33 and Patrick Davis located at Pier 45 Shed D.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

c) Ms. Keri Lung next presented for review a draft Request for Proposal for Pier 30/32 for information only. There is no Affirmative Action Program in this draft RFP. This provision will be incorporated in the RFP for presentation to the Commission on Sept. 12 for approval.

This RFP is an invitation to developers to propose, design and develop a first-class International Passenger Cruise Terminal Center at Pier 30-32 and Seawall Lots 329 and 330 on the Embarcadero between Bryant and Beale Steets. The project should consist of a mixed use development that includes a modern passenger cruise industry, and related commercial, cultural, educational and public facilities that highlight and enhance San Francisco's role as an international cruise port. Port is offering the sites on an "as is" condition under a long term lease. Developer will be responsible for obtaining all required approvals for the project. Once constructed, the Port proposes to lease-back the cruise terminal portion at a nominal cost to the Port, with the Port retaining all revenues generated from the use of the terminal by cruise ships, as well as operating the cruise terminal. All other components shall be operated by private enterprise.

Ms. Lung then briefly summarized the location, condition of piers and seawall lots, development guidelines for the passenger terminal, vessel berths, parking, agencies that developers would be dealing with to obtaining approval requirements.

The following principles will be used in evaluating developer proposals: should be focused on the cruise terminal, with other project components primarily comprised of uses that support and enhance the terminal operations; should be dependent on a waterfront location and promote public access, public assembly, and public appreciation awareness of San Francisco Bay; should enhance San Francisco's stature as an international city; should be reflective of San Francisco's unique maritime heritage; uses and activities should be well-integrated and compatible with the cruise terminal, adjacent pier and land uses, and adjoining residential neighborhoods; and should be designed to minimize traffic impacts with the site as well as on the surrounding areas.

The selection criteria for evaluation of proposed developer proposals would be: development team qualifications and experience; cruise terminal design; overall project design; and economic feasibility and business offer.

One thing that is missing in this draft and would probably be incorporated in the Sept. 12 presentation is with reference to the prohibition businesses that have any ownership interest in entities doing business in South Africa, an ordinance which is currently being heard by the Board and expect to be adopted before Sept. 12. The Port will have put a restriction not to accept proposals from development teams with prohibited ownership interests doing business in South Africa.

Port is prepared to incorporate the Affirmative Action Plan and be ready by Sept. 12.

Finally, Ms. Lung asked the Commission for any input as to the time we should leave the RFP out. Commissioner Bouskos replied that 90 days would be adequate time for receiving proposals back from developers.

Commissioner Bouskos was concerned about the need for adequate parking on Piers 30-32 and SWL 329-330 and surrounding areas and proposed that perhaps the proposals should be split.

After some discussion Mr. Huerta suggested that the staff can try to present to the Commission on Sept. 12 all the issues that would be associated with breaking the RFP apart and Commissioner Bouskos agreed this would help the Commission in formulating its decision.

Mr. Huerta stated that one of the issues will be the negative impact on the flexibility that the developers will have in designing their project. Another is that there will be two selection processes going on simultaneously. On the other hand it gives the Commission the flexibility of selecting one developer for half the project and another one for the other half. An alternative suggested by Mr. Huerta was to impose an overall parking requirement for the project. This would meet the Commission's objective and not create as many problems as presenting the project as two pieces and at the same time would be simpler to administer.

7. ENGINEERING & PLANNING

a. Mr. Cliff Jarrard presented for Commission approval and Memorandum of Understanding (MOU) for execution between the Dept. of Public Works and the Port Commission. The MOU was negotiated by the Clean Water Program of the DPW, the Port's Engineering, Maritime and Property Management staff and the Deputy City Attorneys representing the Port and Clean Water and will allow the DPW (who will pay for the whole facilities) to install the Mariposa Combined Sewer overflow facilities within the Port's jurisdiction. The Mariposa Facilities project is a critical element of the City's Master Plan to control combined sewage discharges into San Francisco Bay and comply with a Cease and Desist order (CDO) issued by the Regional Water Quality Control Board. The CDO requires the City to start project construction by Sept. 1, 1990.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

b. Next item Mr. Jarrard presented for Commission approval was the awarding of contract #2567 to Inter-Coastal, a joint venture at a total contract price of $292,139.50. This project is entirely funded by FEMA for paving repairs as a result of the earthquake. Bidder met all the specific requirements by the City Attorney's Office and Human Rights Commission.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

Commissioner Halsted made a recommendation that on the Port Free Boat Tours, perhaps it would be nice if there would be a Commissioner on each tour and also encourage friends or any group to become involved and see and learn about our waterfront. Mr. Huerta added that this project will be pretty well publicized through radio, print as well as general publicity. Flyers have also been widely distributed.

By motion of Commissioner Halsted, seconded by Commissioner Coleman, meeting was adjourned at 6:00 p.m.

#3
9/12/90

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission met in regular session on September 12, 1990 in Suite 3100 of the Ferry Building. President Herman called the meeting to order at 4:00 P.M.

1. ROLL CALL

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PRESENT: James R. Herman, President
James M. Bouskos, Vice President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting of August 22, 1990 were approved by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta announced that the Port has received a Ferry Terminal grant from the Federal Highway Administration and CalTrans which will be used to make improvements to the existing ferry landing at Pier 1/2. This is part of a regional effort to develop ferry facilities, and promote public transit by Bay area businesses and government.

a) Discussion of proposed interim use of Pier 33/35 was deferred until the meeting of September 26, 1990 by unanimous choice of the Commission.

b) The Commission approved Resolution No. 90-91 adopting the Port's Development Project Disadvantaged Business Enterprise Program. This program was developed by the staff in conjunction with the Human Rights Commission, City Attorney's office, and the DBE community.. The program encompasses the following components:

1. Developer is required to submit a DBE Participation Plan together with the response to an RFP.

2. Port staff can negotiate any aspect of the Developer's DBE Plan as part of the Development Memorandum negotiations and the negotiated Plan will become part of the DM, subject to sanctions for non-compliance by the Developer.

3. DBE is defined as a small business which is at least 51% owned by one or more socially and economically disadvantaged individuals. Both minority and non-minority firms can qualify as DBEs. Port staff will certify DBEs based on modified Small Business Administration guidelines, but will use HRC certification and DBE certification by other entities as a guide.

4. Port staff will monitor Developer's compliance with DBE Plan.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Bouskos, carried.

4. FINANCE & ADMINISTRATION

a) Commission was presented with one financial report, Refunds & Allowances in the amount of $67,653 which was approved as follows:

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

b) Commission was asked to approve a Supplemental Appropriation in the amount of $6,374,971 to fund repairs as a result of the earthquake of October 17, 1989. The Port will establish a "master project" for all earthquake projects and allocate appropriations from this supplemental to individual projects as needed. Staff will continue to work with FEMA/OES to increase the amount of Damage Survey Reports and work to acquire other outside funding. Monthly status reports will be provided by the Chief Harbor Engineer and the Fiscal Officer.

ACTION: Resolution No. 90-94 was approved on a motion by Commissioner Halsted, seconded by Commissioner Coleman, and carried

c) Commission reviewed two non-civil service appointments for the month of August, and took the following action.

ACTION: Moved approval of Resolution No. 90-6 by Commissioner Coleman, seconded by Commissioner Halsted, and carried.

d) The Port received a grant of two million dollars from the Economic Development Administration (EDA) to finance construction in part of fish handling facilities on Pier 45 in June 1990. EDA requires that all other funds for completion of a project are firmly committed and available prior to approval of a grant. It is necessary therefor that the Port assure EDA the criteria will be met by setting aside funds from Port unappropriated reserves to be used for the Pier 45 earthquake repair project.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

5. PROPERTY & MAINTENANCE

a) Commission approved six leases for space located at Pier 33, Pier 45 Shed D, Pier 26 North Shed, Pier 28 Shed and the Ferry Building arcade.

ACTION: Moved approval of Resolution No. 90-92 by Commissioner Bouskos, seconded by Commissioner Wong, carried.

The Commission recessed briefly before discussing the matter of a proposed aquarium at Pier 39, and reconvened in regular session at 5:30 p.m.

b,i Mr. Wiederhorn, Planning manager, presented a brief summary of the Final Environmental Impact Report prepared in accordance with CEQA for the Underwater World Aquarium. He called particular attention to a City Planning memorandum dated September 11, 1990 regarding a question which was raised as to whether the environmental circumstances surrounding this project have changed substantially to warrant reevaluation of the project.

It has been suggested that the closure of the Embarcadero Freeway after the October 17, 1989 earthquake would result in greater or substantally different impacts than were disclosed in the EIR. It was the conclusion of the Office of Environmental Review, in the aforementioned memorandum that "the extent of the changes in the regional transportation network since the certification of the EIR do not substantially alter any of the assumptions of or conclusions of the analysis" and accordingly, no further evaluation is required.

Prior to taking action to approve this project, the Commission must certify they have reviewed and considered the information contained in the EIR, and approved and adopted the Final EIR. Resolution No. 90-80 specifically details these actions, and staff requested the Commission's decision.

Following a ten minute recess, the Commission received staff's request to approve a lease amendment to (1) modify the Pier 39 lease to specify the aquarium as an allowable use; (2) establish a rental structure for the aquarium; and (3) specify certain responsibilities concerning Pier 43. Mr. Conrad, Director of Proprty, presented the lease amendment and noted that in approving the lease amendment, the Commission is required to make certain findings based on the Final EIR regarding the environmental impact of the aquarium. Specifically, as detailed in Resolution No. 90-80A, the Commission will adopt the mitigation measures imposed by the Planning Commission in the Conditional Use Permit, as well as the Planning Commission and BCDC's findings that other project alternatives are infeasible, that further mitigation is infeasible or outside of Port jurisdiction, and that the benefits of the project outweigh any adverse effects. The resolution also states that based on the OER findings, changes made in the project after the completion of the Final EIR lessen the adverse environmental impacts and no further environmental review is required.

In establishing the rental structure for the aquarium, the Port is governed by the Pier 39 master lease, since the site is completely within the demised premises governed by the provisions of this lease. In an effort to maximize the benefits to the Port, it was decided that such a rental structure should be separate and distinct from other rental provisions of this lease, and Port's rent be calculated as a direct percentage of sales from the aquarium against a minimum.

The proposed rental structure for the aquarium calls for Pier 39 to pay the greater of the following:

1. Minimum rent of $60,000 per year, subject to CPI increase every two years.
2. Percentage rents calculated as follows:
   First 10 years:
   -2 percent of first $5,000,000 in sales
   -3 percent of next $5,000,000 in sales
   -4 percent of all sales generated by aquarium over $10,000,000.

In addition, there will be important public benefits from the aquarium, such as enhancement of the transit service on The Embarcadero; demolition of Pier 43 thereby providing some much needed open space; an annual subsidy to the Steinhart Aquarium for eight years (to minimize loss of admissions); special Unified School District programs, among others. These benefits were negotiated as part of the regulatory approval process, and will be borne by Pier 39 over and above the cost of the project. In conclusion, it was staff's recommendation that based on the analysis presented herewith that the Commission approve the proposed lease amendment before them.

Before asking for Commission action, President Herman called for public testimony in the matter of certification of the Underwater World EIR, and the following persons testified.

Sue Hestor, attorney, representing Fisherman's Wharf 2000, and various environmental organizations and individuals in opposition to the aquarium project, raised the following objections to adopting the EIR:

a) that the analysis of alternative sites in the EIR does not meet the standard of CEQA nor ofthe McAteer-Petris Act.
b) that the EIR does not include any description of the current project, nor of its impacts.
c) that the project lacks the approval of the Planning Commission.
d) that additional changes in circumstances warrant revision of the EIR.

John Sanger, attorney for Pier 39, responded by noting that the alternative sites of Pier 35 West, Pier 30/32 South of Bay Bridge, location entirely on existing Pier 39, and a non-waterfront location were studied with respect to their ability to further reduce or avoid significant, unmitigated cumulative impacts, and were found to be infeasible.

Further, he stated the EIR clearly demonstrates, the Planning Commission so found, and BCDC so found, that the project as approved and with all the mitigation measures imposed as conditions by the Planning Commission, and by BCDC in its approval, fully mitigated all project specific impacts to less than significant levels, with the exception of view impacts, which continue to be deemed significant.

With respect to traffic, the EIR found that not only were there no adverse project specific impacts, but with the realignment of traffic patterns imposed by the Planning Commission, the level of service with the project will be better than without the project in the future.

There being no further public testimony on the EIR phase of the aquarium proposal, President Herman asked for comment from the Commission. With no further discussion, the Commission took the following action.

ACTION: The Commission moved to accept the amendment to Resolution No. 80 by motion of Commissioner Halsted, seconded by Commissioner Coleman, carried.

ACTION: The Commission next moved to approve amended Resolution No. 80, by motion of Commissioner Bouskos, seconded by Commissioner Coleman, and carried.

President Herman opened the floor for public testimony in the matter of the third amendment and rent structure of the lease with Pier 39.

Mr. Henry Izumizaki, representing Coastal Resources Center, spoke in support of the aquarium project as Pier 39, stating that there is a need to expand public education and interpretative facilities about marine environment.

Nan McGuire, San Francisco Tomorrow, and as a concerned citizen, urged the Commission to reopen the master lease with Pier 39, and attempt to negotiate better terms for the Port in order to generate the additional revenues which so concern the Port.

David Spero, an individual, stated that in his opinion this is a bad lease, that the City of San Francisco and the Port is being short changed because the percentages asked are too low. Mr Spero expressed the sentiment that the lease for the aquarium "is a sweetheart deal and a scandal."

Alessandro Baccari, representing the Fisherman's Wharf Association, expressed his group's strong support for the project, and commended Port staff for its creativity and procedure in getting a fair deal for the City and County of San Francisco. The project when complete will help to preserve the economic as well as educational and promotional aspects of the Wharf. He asked to go on record as strongly recommending approval of this project.

Mr. Michael Gallette, Fisherman's Wharf Port Tenants, after making a promotional plug for Festa Italiana's eighth annual celebration, expressed his organization's support of the aquarium project. He noted that the parking and traffic circulation problems associated with this project have always been of concern to his organization, and therefore the project's sponsor has given their written assurance that should further modifications in traffic circulation be warranted, the Port Tenants Association will be included in any discussions or proposals of such modifications before being formally considered. Mr. Gallette read his letter to the Commission and is hereby included as part of the record of this meeting.

Sue Hestor, attorney, representing Fisherman's Wharf 2000, enumerated several issues of concern for her should the Commission choose to approve this project. Namely, the Port by going forward with this project, makes vulnerable every bit of open space because a statement is being made that unless it produces revenue, a site is expendable. " This is a policy statement of monumental concern to me", said Ms. Hestor.

Secondly, the Port is taking away the Pier 43 structure without any accommodation being made for relocating the Pampanito thereby making it impossible for the Moshulu to go to Pier 45.

Ms. Hestor, also expressed her consternation with the subsidy provision to the Steinhart Aquarium, and strongly condemned the garage lease as well as inadequate, and urged the Commission to reopen the entire lease for negotiation.

Fritz Arko, president and general manager of Pier 39, expressed his appreciation for the dedication and commitment shown for the Underwater World Project by Port staff and stated the sponsor's commitment to full minority participation including from the very beginning, in the design stages, the construction and in employment. In response to Ms. Hestor's concern about the Moshulu, Mr. Arko said it was sold and will be located in Florida.

John Sanger, attorney for Pier 39, responded to the question of alternative locations stating that the approvals before the Commission from the Planning Commission and BCDC reflect that both from economic, social and fiscal consideratioms, as well as the viability of the project all other locations would require the rjection of any other location in favor of the location put forth by the sponsor, and urged the Commission to make this finding.

Further the proferred location at Candlestick Park is not under the Port's jurisdiction, and therefore is not a viable alternative location to the Commission.

President Herman next asked for Commission input, and called on Commissioner Bouskos who reiterated Mr. Sanger's statement that the Candlestick Park alternative is not under the Port's jurisdiction, and stated that the suggestion to reopen and renegotiate the master lease was a simplistic statement, unworthy of an attorney. He further expressed his distaste for Ms. Hestor's characterization of the Commission as negotiated poorly in the matter of this lease. He said he was happy with the deal.

There being no further comment by the Commission, President Herman asked for a motion to accept an amended Resolution No. 80-A.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Bouskos, carried.

ACTION: On the motion to approve Resolution No. 80-A Commissioner Coleman moved approval, seconded by Commissioner Bouskos, carried and so ordered. On both motions, President Herman voted in the affirmative.

5c) The Commission was next asked to approve the issuance of an RFP for a passenger cruise terminal at Piers 30/32. As directed by the Commission on May 30, 1990 staff has prepared a request for proposals for development of Pier 30/32 and SWL 329 and 330. The resolution before the Commission asked that staff be authorized to issue the RFP for development of an international passenger cruise terminal center. It should be noted that this RFP includes the Port's Disadvantaged Business Enterprise program encouraging the participation by disadvantaged businesses in this development project.

Commissioner Bouskos agreed after further discussion with staff and other Commissionsers, that the inclusion of SWL 329 and 330 in the RFP was probably a more appropriate decision.

Public testimony was solicited in this matter.

Sue Hestor, noted that the letter submitted on Pier 39, specifically included discussion of Pier 30/32 and asked the record reflect that even though this is the next item on the agenda, everything related to this item is part of my record on Pier 39.

ACTION: It was moved by Commissioner Bouskos, seconded by Commissioner Coleman, and carried.

The next matter was an executive session held pursuant to Section 54956.9(b)(1) of the Government Code to discuss the resolution of a dispute and a matter of potential litigation.

At the conclusion of the executive session, staff was directed to negotiate an agreement with the principals in the matter, following specific instructions as outlined therein.

There being no further business, the meeting adjourned at 6:30 p.m.

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26/90

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission met in regular session on September 26, 1990 in Suite 3100 of the Ferry Building. President Herman called the meeting to order at 4:00 P.M, and asked Vice President Bouskos to chair the meeting since he had to leave unexpectedly.

1. ROLL CALL

PRESENT:	James M. Bouskos, Vice President Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner
ABSENT:	Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting of September 12, 1990 were approved by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta asked the Commission for its decision with regard to the two alternative strategies developed by staff for interim use of Pier 35 and which staff presented at the Commission meeting of May 30, 1990. After a brief discussion, the Commission took the following action:

ACTION: Commissioner Bouskos made a motion to select Alternative 2, by which Port will advertise and offer a short-term lease to market, manage, and operate the existing terminal at Pier 35.. This was seconded by Commissioner Coleman, and carried.

Mr. Huerta then asked that the Commission defer action on Item 5b) Mission Bay Project until such time as the Planning Commission has formally acted on this matter, which should coincide with the Commission's next meeting in October. Commission agreed to postpone consideration of the matter until that time.

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4. FINANCE & ADMINISTRATION

a) Commission was presented with an informational financial report, the Status of Accounts Receivables for the month ending August 31, 1990.

5. PROPERTY & MAINTENANCE

a) Commission next reviewed a lease with Archer Travel for space in the World Trade Center, and this was approved by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

Item b)i, ii, on the proposed Mission Bay Project were deferred until the next meeting of October 10, 1990.

c) Commission next considered the matter of approving a lease encumbrance agreement with the Long Term Credit Bank of Japan, Ltd., and a Landlord Estoppel Certificate. The City Attorney reviewed the agreement, which basically assures the Bank that the Port would enter into a new lease with them should the existing lease be terminated as a result of a bankruptcy of HHC Investments, Ltd. Although the Port is not obliged to execute this agreement, since in staff's opinion, the lease gives the Bank adequate assurance, in the interest of cooperation, staff recommended approval.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

6. MARITIME

7. ENGINEERING & PLANNING

In response to Commission direction, the consulting team of AGS, Inc. and Hoyle, Tanner & Associates has carried out the first phase of a feasibility study for developing a vertiport facility. As required after each phase of the study, the Commission was briefed on the findings and conclusions. Phase I is an analysis of the potential uses, markets, and benefits of a vertiport facility. Certain conclusions could be drawn from the analysis:

* A vertiport could provide an alternative to the highly congested highways in the market area;
* A vertiport along the waterfront could serve as a staging area for relief efforts in the event of an earthquake;
* The City would not receive significant financial benefit from a vertiport, however such a facility would improve the "business climate" in San Francisco.

Commissioner Bouskos invited public comment on this matter, and the following people responded:

Proponents	Opponents
John Kerby-Miller	Dr. Francis J. Clauss
Larry Alton	Jane Herzog
Jean Tinsley	Dr. Robert A. Bush
Dr. Ahimsa Sumchai	Ross Fay
	Peter Firth
	Ed Van Egri

Commissioner Bouskos next invited Commission comment, and Dr. Coleman asked if there were some way that another government entity such as City Planning, BCDC, or a medical facility could take continue with the next phases of the study, since it appears that these agencies could derive greater benefit from continuing the study. The Executive Director agreed to investigate this possibility and will report back to the Commission.

Vice-President Bouskos opined that the study failed to show a need for inconveniencing our neighbors, and that he would prefer to return the remaining money to the Federal Aviation Agency.

Commissioner Wong agreed that although people coming into the City have been inconvenienced since the earthquake, in his opinion this still did not warrant a heliport.

The Commission then took the following action:

> Moved by Commissioner Coleman, seconded by Commissioner Wong, and carried to discontinue the study any further.

At 6:25 p.m., the Commission withdrew to executive session in the matter of CCSF v. Allianz Insurance Co., et al, Superior Court No. 885-978. The Commission adjourned at 7:15 p.m. and no action was taken.

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission met in regular session on October 10, 1990 in the Commission Room, Suite 3100 of the Ferry Building. Vice President Bouskos, presided in the absence of President James Herman, and called the meeting to order at 4:10 p.m.

1. ROLL CALL

PRESENT:	James M. Bouskos, Vice President
	Dr. Arthur Coleman, Commissioner
	Douglas F. Wong, Commissioner
	Anne Halsted, Commissioner
ABSENT:	President James R. Herman

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2. APPROVAL OF MINUTES

The minutes of the meeting of September 26, 1990 were approved by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

The Commission was asked by staff to authorize the solicitation of consultants' qualifications and proposals to conduct an organizational analysis of the Port of San Francisco structure. This analysis will study the Port's current organizational structure and reporting lines; delegation of policy; decision-making practices; staffing levels; and analyze positions' current stated roles, duties and responsibilities. Its overall purpose will be to align the staffing and structure to maximize and achieve the Port's strategic mission and goals.

Staff feels that such a study requires the expertise of a management consultant to assist in the preparation of a thorough organizational analysis, and requests the Commission to pass Resolution No. 90-105 and authorize staff to issue a Request for Qualifications & Proposals to develop an Organizational Analysis.

Commissioner Halsted expressed her approval that the organizational analysis was being undertaken since in her opinion this was overdue.

ACTION: Approval of Resolution No. 90-105 moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

Mr. Huerta informed the Commission that at President Herman's direction, Item 5(c) will be continued to the call of the Chair, and there was no objection.

4. FINANCE & ADMINISTRATION

a) Commission was presented with one informational financial report, Sales & Rent Report ending July 1, 1990

b) Commission approved one non-Civil Service temporary appointment for an "as-needed" class 1424 Clerk Typist position for the month of September.

5. PROPERTY & MAINTENANCE

a) Commission next reviewed the rental agreement for lease of 214 s.f. of office space at Pier 50 Administration Building to F. Kappler, and approved by passage of Resolution No. 90-100.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

b) The Commission was asked to authorize the Executive Director to execute a Consent & Subordination Agreement by which the Port agrees in the event of default by Meatball Bait Distributors, Inc., a tenant of Pier 45 Shed D, to permit the lender, First Capital, to enter the premises and enforce its lien. The City Attorney has reviewed the agreement, and has no objection.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

c) Deferred to the call of the Chair.

d) The Commission next considered a draft resolution setting forth the procedural history of the environmental review process for the Mission Bay Project. CEQA (California Environmental Quality Act) requires that the Port Commission must certify that they have reviewed and considered the Mission Bay Final Environmental Impact Report, prior to taking action to approve the Mission Bay Development Agreement.

Following action on this resolution, the Commission would then consider Resolution No. 90-99 to approve the Development Agreement.

Mr. Huerta reviewed the outstanding Port issues on Mission Bay for the Commission, as follows:

Freight Rail Service to Piers 48, 50 & 80, specifying two alternatives the Islais Creek Bridge, and the 16th Street option.
Parking and circulation along China Basin Street.
H & H Ship Services at Pier 48 Backlands.

At the conclusion of staff's presentation, President Bouskos asked for public comment. Mrs. Betty Boatwright, representing Mission Creek Tenants Association spoke in support of the project but urged the Commission to ensure that the width of the traffic lanes in the vicinity of Mission Creek be compatible to the needs of the tenants.

There being no further testimony from the public, President Bouskos asked for a motion from the Commission to approve Resolution No. 90-98 as presented.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Coleman, carried.

The next action was a motion by Commissioner Coleman to amend Resolution No. 90-99 to include in addendum the following language: "BE IT FURTHER RESOLVED, that this approval is conditioned upon a provision being included in the Land Transfer Agreement which requires Catellus to pay the Port the sum of two million dollars ($2,000,000.00), escalated by an appropriate index, if a decision is made pursuant to Section 7.14 of the Development Agreement to construct a rail bridge across Islais Creek." This motion was seconded by Commissioner Wong, and carried.

ACTION: It was then moved to approve Resolution No. 90-99 as amended by Commissioner Halsted, seconded by Commissioner Wong, carried.

6. MARITIME

7. ENGINEERING & PLANNING

a) Commission next considered a request to adopt the name FISH ALLEY as the official designation of the public walkway located at the foot of Leavenworth Street between Hyde Street and Taylor Streets. Staff urged the adoption of this name as a fitting appellation contributing to the the preservation and enhancement of its history and culture.

President Bouskos asked for public comment, and Pat Flanagan representing the tenants of Fisherman's Wharf thanked the Commission for their sensitivity and urged them to formally adopt the name, noting that this was probably one of the few times where there was consensus by everyone at the Wharf.

There being no further discussion, the Commission took the following action.

ACTION: Moved by Commisisoner Wong, seconded by Commissioner Halsted, carried.

b) The Commission next approved a request to declare an emergency in order to permit the execution of an emergency contract to perform pavement repairs at South Container Terminal, at Pier 96. This procedure will allow staff to contact certified MBE or WBE contractors to solicit bids to perform this work.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Coleman, carried.

8. LEGAL

An executive session was called for the purpose of discussion in the matter of CCSF v. Continental Development Corp., which is a matter of pending litigation. The Commission convened at 5:05 p.m. in executive session, which concluded at 5:40 p.m. with no action being taken.

The meeting was formally concluded at 5:45 p.m.

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24/90

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission met in regular session on October 24, 1990 in the Commission Room, Suite 3100 of the Ferry Building. Vice President Bouskos, presided in the absence of President James Herman, and called the meeting to order at 4:00 p.m.

1. ROLL CALL

PRESENT: James M. Bouskos, Vice President
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: President James R. Herman
Anne Halsted, Commissioner

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2. APPROVAL OF MINUTES

The minutes of the meeting of September 26, 1990 were approved by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Cliff Jarrard, Acting Director, in the absence of Michael Huerta, who was attending the American Association of Port Authorities convention in Nassau, reported on the recent flag-raising ceremony to commemorate the Loma Prieta earthquake of October 17, 1989. He noted that Lt. Governor McCarthy and Mayor Agnos participated in the event which was well attended by many of San Francisco's citizens.

Mr. Jarrard invited the Commission to attend the dedication of the Pier 7 open space on the morning of Friday, October 26 at 11 o'clock. Representatives from the key City and State agencies who cooperated in funding this project will be there to commemorate this event.

Mr. Jarrard noted that agenda item 5(c) approval of a two-year lease with Excelsior/BAPC for surface parking should be re-lettered as 5(e) and will be deferred to the call of the Chair. He then asked that Rick Wiederhorn, Planning Manager, report on the matter of the FAA study grant.

Mr. Wiederhorn said that as a result of the Port Commission's decision not to pursue further vertiport studies, there was money left in the FAA grant. The Commission requested staff to investigate if the remaining funds could be utilized by other agencies to determine their heliport needs. He announced an upcoming meeting between the City's Public Safety and Health agencies who have professed some interest in pursuing the next phase of the study. He also noted that FAA has not rejected a possible transfer of the funds to these agencies if there is an interest. The Commission will be kept apprised of developments in this matter.

4. FINANCE & ADMINISTRATION

Ben Kutnick, Fiscal Officer, presented three financial reports for Commission review and approval:

Revenue & Expenditure Statement ending August 31, 1990
Accounts Receivable Statement ending September 30, 1990
Refunds & Allowances in the amount of $27,393 for the period ending September 30, 1990

ACTION: Refunds & Allowances were approved by motion of Commissioner Wong, seconded by Commissioner Coleman, carried.

5. PROPERTY & MAINTENANCE

a) Commission considered and approved a lease with Golden Gate Ports Association for office space in the World Trade Center. This is space formerly occupied by the Marine Exchange and the lease will commence on November 1, 1990 when Marine Exchange vacates.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, and carried.

b) The Commission was requested to approve an adjustment of percentage rent for Sinbad's Restaurant to 6.75% for all sales. Sinbad's owners have requested an adjustment of 6% for food; 8% for alcoholic beverages and 10% for all other uses but staff recommends one percentage rate overall for ease of administration and to simplify audits. After a brief discussion, the Commission took the following action to approve.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, and carried.

c) Staff next asked for authorization for the Executive Director to sign a Landlord's Waiver in relation to a financial transaction between Service Engineering Company and Union Bank. This document would allow the bank in the event of default to satisfy SECO's obligation to them. The form of waiver was reviewed and approved by the City Attorney, with one change. Ms. Schimke noted that the waiver form provides that the bank is obligated to restore the premises to a finished and rentable condition should affixed property be removed. Commission took the following action.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Coleman, and carried.

d) The next matter for Commission consideration was a request to approve a Lease Surrender Agreement by which Mr. Rubin Glickman will give up his tenancy in the Agriculture Building. Mr. Glickman's occupancy commenced the day of the earthquake, and has not been without incident. It was explained that the tenant entered into a lease at another location, since the Port was unable to give him a time certain when he would be able to use his Agriculture Building premises. He now finds himself with two locations, and asks that the Port allow him to surrender the Port office space. Mr. Glickman made some improvements to the premises, and the sum of $27,500 was negotiated and agreed to as the value of the leasehold improvement.

Staff recommended acceptance of the lease surrender due to the unforeseen difficulties encountered by the tenant, noting that under paragraph 4 of the agreement the Port as well as the tenant agree to waive any and all claims against each other as a result of the tenancy.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

6. MARITIME

a) Under the Port's cargo marketing program, the Port employs the use of the computer service called the Journal of Commerce Port Import/Export Reporting Service (PIERS) to provide accurate and up-to-date market information. Currently , we have been purchasing PIERS data in limited quantity and in order to maximize our capability, the Port staff would like to modify our contract with PIERS in the total amount of $58,000.

To realize our strategic objectives to increase shipping and trade, staff feels it is essential that we increase our access to the vast trans-Pacific data bank, and feels the additional expense is recoverable in many ways. Such as, by having the ability to identify accounts geographically, we can market them more efficiently and economically. It will also allow us to help our steamship lines to increase their sales by identifying potential new business and who will be competing for that business.

ACTION: It was moved by Commissioner Coleman, seconded by Commissioner Wong, and carried.

b) Staff asked that the Commission review and approve a First Amendment to the Marine Terminal Agreement with Splosna Plovba, a Yugoslav shipping line, which would permit the transfer of operations from the South Container Terminal at Pier 96 to the North Container Terminal at Pier 80. After a brief discussion, the Commission took the following action.

ACTION: It was then moved to approve Resolution No. 90-111 by Commissioner Wong, seconded by Commissioner Coleman, and , carried.

7. ENGINEERING & MAINTENANCE

8. LEGAL

a) Deputy City Attorney presented a resolution to the Commission to authorize award of a contract for legal services to the joint venture of Garvey, Schubert & Barer/Sayad & Trigero. This contract is for two years and nine months, and the amount of the contract for fiscal year 1990-91 is $21,420.00. The amount budgeted for the remaining two years of the contract is subject to the budgetary approval process of the Port Commission. The selection of the firms of Garvey, Schubert & Barer/Sayad & Trigero is the result of a response to the Port's request for proposals issued in September 1990, after interviews with the selection panel and review of each proposal.

The Commission discussed the matter briefly, and by the following action, approved Resolution No. 90-115.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Coleman, carried.

There was no new business for discussion, and on the motion of Commissioner Coleman, seconded by Commissioner Wong, Vice President Bouskos adjourned the meeting at 4:30 p.m.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Tuesday, November 20, 1990 in the Commission Room, Suite 3100 of the Ferry Building. President Herman called the meeting to order at 4:00 p.m.and asked for a roll call of members present.

1. ROLL CALL

PRESENT: James R. Herman, President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: James M. Bouskos, Vice President

DEC 14 1990

2. APPROVAL OF MINUTES

The Commission approved the minutes of the previous meeting by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta asked that Item 5(b) be put over until the next meeting in December, pending resolution of final details of a proposed lease with Excelsior/BAPC for surface parking. The Commission concurred.

It was announced that Mr. Rick Wiederhorn, Planning Manager, would be leaving in early December to take a newly created position with the Port of Oakland in project planning. The Commission joined with the Director to wish him well in his new endeavors.

Mr. Huerta reported on the outcome of the recent election and particularly the two initiatives, Proposition C and Proposition H, pertaining to the Port.

Proposition C was a technical amendment to the Port's bonding to bring the Port in line with current bonding procedures. The initiative failed by about a 60:40 vote, due in part to the fact that any money issues on the ballot did poorly, as well as being confusing and not easily understood.

Proposition H, placed on the ballot by San Francisco Tomorrow, and opposed by the Port, passed by a narrow margin. The initiative calls for a land use planning process, which means that within thirty days the Board of Supervisors will request that the Port prepare a waterfront land use plan consistent with the initiative. The initiative provides that the plan define land uses into three categories: maritime, acceptable non-maritime, and unacceptable non-maritime land uses.

The initiative also prohibits any action by any city officer to permit new development of any non-maritime land use until completion of the waterfront land use plan. Maritime land uses defined in the initiative are cargo handling and storage facilities, ship repair facilities, fish processing facilities, marina and boat launch ramps, ferry terminal facilities, cruise ship terminals, excursion facilities, ship berthing facilities, maritime construction and salvage facilities, marine equipment and supply facilities, and any other maritime land uses that might be developed are not included in this prohibition.

Acceptable non-maritime land uses include parks, esplanades, bird habitats, recreational fishing piers, restoration of the ecology of San Francisco bay and its shoreline, transit and traffic facilities, and any other acceptable non-maritime land uses that might be developed as part of this plan.

Unacceptable non-maritime land uses prohibited by the initiative are hotels, and other unacceptable non-maritime land uses which might emerge from this process. The criteria set forth for determining unacceptable non-maritime land uses include whether the land use must be on the water to fulfill its basic function, is the land use compatible with existing or planned maritime operations on surrounding parcels, does the land use provide maximum public access, does the land use improve the ecological balance of the bay, does the land use protect the waterfront's architectural heritage, does the land use represent the best interest of the people of the City and County of San Francisco.

Commissioner Herman asked if there would be any prohibition in awarding the RFP for the cruise terminal at 30/32 since this is an acceptable maritime use. Mr. Huerta replied that if these are the instructions of the Commission, it is staff's intention to accept proposals, and if one is consistent with the Prop. H framework, recommend it to the Commission.
Mr. Huerta indicated that he would like to report back to the Commission with a detailed timeline at the December meeting. The process involves three distinct phases, an assessment of the Port's business environment, secondly, a capital plan, and finally, the third phase, adding in projects responsive to other goals in our strategic plan. All three components therefore tie together and become a land use plan.

The Commission accepted the Director's report, noting that the City Attorney will be evaluating the legal aspects of Proposition H once the vote has been certified, and will issue a report.

Commissioner Halsted noted that given the complexities of the issue and the antagonism that prevailed around the initiative, the clearer understanding we can get of the complexities, the better off we will be.

Commissioner Halsted asked if each of the criteria must be met, and Mr. Huerta replied that the language of the initiative is not explicit and that these as well as other issues are being reviewed by the City Attorney's office for clarification.

4. FINANCE & ADMINISTRATION

a) Mr. Kutnick presented the Commission with three financial reports:

Revenues & Expenditures Summary for the period ending September 30, 1990;

Refunds & Allowances in the amount of $7,941;

Accounts Receivable for the month ending October 31, 1990.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

b) Staff next asked for approval of one Non-Civil Service appointment and one temporary appointment for the month of October, 1990.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

5. PROPERTY & MAINTENANCE

Mr. Conrad presented the sales & rent report for the months of August, and September 1990, comparing this year's figures to that of the previous pre-earthquake period. In the Fisherman's Wharf area, figures for the month of September reflect an upturn of 2%. There does seem to be a definite upward trend in sales.

Discussion ensued regarding the matter of the California Cafe restaurant, in response to Commissioner Wong's inquiry. This restaurant is closed pending a decision on the retention or tear down of the freeway and currently has a suit filed against CalTrans for resolution of this issue. California Cafe also reserves the right to file a claim against the Port.

Ms Janice Temple, a private citizen, inquired about the length of the lease held by the Ferry Plaza Restaurant, now known as Gabbiano's, and also asked for the names of the principals in this lease. Ms Temple also asked several questions about Port policy on long term leases, particularly regarding the term length, and if there are clauses in these long term leases which provide for periodic reviews in order to increase rents.

a) Commission was presented with a request to approve six leases for space located in the World Trade Center, Agriculture Building, Pier 26, 50, and SWL 333. Mr. Conrad gave a brief description of each lease, and asked for Commission action.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

Mr. Conrad was asked about the vacancy factor of Port office space and whether the Port advertises when space is available for rent. In reply, Mr. Conrad noted there was about a 13/14 percent vacancy, and that the Port does advertise when appropriate.

c) The Commission was asked to approve the first amendment to a lease with the Redevelopment Agency for the South Beach Harbor, which will extend the deadline for possession of Pier 40 by seven months and allow Redevelopment to pay the Port accrued rents in excess of $475,000.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

President Herman asked why the facade of the bulkhead building at Pier 38/40 is being retained, and whether the present Commission has a stated position on this matter. The director informed Mr. Herman that several years back the Board of Supervisors acted to preserve this as an historical monument. Further, this matter is under the purview of the Redevelopment Agency and is currently being reviewed by this agency.

An inquiry was made about any future plans for developing SWL 321, and it was stated that this seawall lot is part of a bid package for parking which is on today's agenda. Further inquiry was made as to the identity of the principals of Excelsior/BAPC, the firm receiving the bid. It was suggested that inquiries could be made to the Property Department following today's meeting for all pertinent details of this matter. This matter will be carried over until the December 12 meeting.

6. MARITIME

a) The Commission was next presented with a request for a second amendment to the agreement with Nedlloyd Line to include a 50,000 TEU guarantee which is more than twice the number guaranteed under the first amendment. The amended agreement is expected to generate an estimated sixteen million dollars over the life the agreement from wharfage, dockage and crane rental from Nedlloyd's new business.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

b) The Commission was asked to approve assignment of California Stevedore & Ballast Company (CS&B) to Metropolitan California Stevedore Company. These two companies have entered into a partnership which should provide a stronger and more economic, two-part package deal for the Port. This company will manage, operate and promote the North Container Terminal at Pier 80 under this agreement.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

c) The Commission next considered approval of the seventh amendment to the operating agreement with Metropolitan California Stevedore Company. This amendment provides for a reduced crane rental rate in the event a carrier guarantees a minimum crane rental of 3,500 hours annually for two years. In such event, MCS would pay the Port crane rental for such carrier at a discounted rate of $40.00 off the Port's Tariff 3-C.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

d) The next matter was a request to approve a five-year marine terminal agreement with Companie Sud-Americana De Vapores (CSAV, a Chilean Corporation, at South Container Terminal. This new line will operate jointly with Flota Mercante Grancolombiana (Granco) between South America, Central America, and the West Coast of the United States.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

7. ENGINEERING & PLANNING

a) The Commission was asked to approve award of a pavement reconstruction and resurfacing contract for work at Pier 96. Bids were received on this contract on October 16, 1990, and after applying the Bid Rating Preference set forth in Section 12d, the low bidder is Inter-Coastal, a joint venture.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

b) The Commission was requested to authorize staff to apply for Hazard Mitigation Program Funding which would provide an opportunity to seismically upgrade public buildings under Port jurisdiction with Federal assistance. Staff has identified two projects, Pier 45 and the Ferry Building, as high priority under this program, and is recommending the Commission's approval to seek this funding.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

e) The Commission was next asked to authorize the Director to enter into an agreement with Arvie Construction for work-in-kind to be performed on Pier 94 in lieu of rent for the use of a portion of SWL 354. This area will be used for temporary storage of excavated soil from two non-Port related construction projects. Details for this agreement are still being negotiated pending the Commission's decision. Mr. Huerta will report back to the Commission at the December meeting.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

c) In planning matters, Mr. Wiederhorn asked the Port Commission to adopt a resolution authorizing the formation and activities of a Port Working Committee on Waterfront Transportation Projects to focus on those issues of particular concern to the Port. Mr. Wiederhorn emphasized the timeliness of establishing this Committee now, if the Commission is to give meaningful input on design concepts.

President Herman concurred with this thinking, and following Commission action to adopt Resolution No. 90-117, asked Commissioners Halsted and Bouskos to serve on this committee. Commissioner Halsted accepted with the proviso that these are still open issues which need resolution. The Director assured the Commission that this would not be simply a pro forma review.

d) Mr. Wiederhorn reported on the disposition of funds awarded to the Port by the Federal Aviation Administration. Pursuant to the Commission's request, discussions with other City health and public safety agencies were held to determine if there was interest in applying for the balance of these funds.. $150,000 of the grant money has been expended, with a balance of $200,000 still in the account.

These agencies, particularly the emergency and law enforcement, indicated that they already have the ability to use helicopters on an as-needed basis without dedicating an entire facility for this purpose. Insofar as helicopter service for medical purposes, the role of the City would be one of coordination. The City Health Department expressed the sentiment that there is not a central role for the City in delivering these services. A significant fact to emerge from these meetings with City Planning and health agencies was that each of these facilities has the ability to apply for and obtain a conditional use permit to install and operate a heliport at that facility. In light of that, the City Health Department saw no need to continue with a study. Staff also met with CalTrans and the Airport who evinced no interest in a study. Staff concludes from these discussions that the Federal Aviation Administration should be notified that we will not continue further with the study nor will we draw upon the grant monies any further.

Dr. Ahimsa Simchai,from the Stanford Medical Center, expressed some concern about the accuracy of these findings, and the Commission asked staff to confirm these conclusions with the Administrator of Emergency Medical Facilities.

8. LEGAL

The Commission withdrew to executive session to discuss two issues. At the conclusion of the executive session, the City Attorney announced a settlement in the amount of $15,000 in the matter of Forbes v. CCSF.

No action was taken in the matter of Allianz v. CCSF. The meeting was adjourned at 6:35 p.m. by unanimous vote.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Wednesday, December 12, 1990 in the Commission Room, Suite 3100 of the Ferry Building. President Herman called the meeting to order at 4:00 p.m.and asked for a roll call of members present.

1. ROLL CALL

PRESENT:
James R. Herman, President
James M. Bouskos, Vice President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

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2. APPROVAL OF MINUTES

The minutes of the meeting of November 20, 1990 were approved by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta asked Steve Amano, Personnel Officer, to present the matter of selecting the consultant for an Organizational Analysis. An RFP was issued in October 1990, followed by review of a selected panel, and Cresap, a Towers Perrin Company was chosen as the consultant firm to conduct the organizational analysis. The Commission was asked to authorize staff to negotiate and execute a contract with this firm for an amount not to exceed $250,000.

ACTION: It was moved by Commissioner Bouskos, seconded by Commission Coleman, and carried.

Next the Commission was asked to adopt the schedule of Commission meeting dates for 1991, and it was so moved, seconded, and carried.

Mr. Huerta next addressed the matter of Proposition H by recapping the program and plan outlined at the November meeting. He reported on the staffing matters which are involved in order to provide a land use plan under Proposition H. Keri Lung will temporarily take on the planning responsibilities with Noreen Ambrose of the City Attorney's office also being assigned to the Port to assist in the planning process. An additional planning project coordinator will also be hired to assist in the Seafood Center project, as well as the Embarcadero Parkway project.

A symposium or workshop is planned for the interested public to learn about the various uses of the waterfront and will be of high priority in gathering consensus. Initially, the focus will be on the broader maritime issues, as well as regulatory and environmental issues. This open forum workshop will be a way of getting issues out on the table and collecting ideas to finalize the scope of work and carry out the planning process, as well. Preliminarily, it is anticipated that this process will be accomplished by the end of 1991.

Commissioner Bouskos inquired if consultants would be used in the process, and if so, would this not shorten the process. The Director indicated that that was a possibility.

At the conclusion of the Director's report, President Herman asked for public comment. Dr. Claus, from Potrero Hill District, congratulated staff on moving forward in complying with the Proposition H requirements, and asked the City Attorney for clarification regarding Proposition H and the Voters' Handbook. A brief discussion followed regarding the propriety of this request, and President Herman averred that Proposition H will be adhered to the letter of the law and that no further clarification was necessary at this point.

Therese Murphy from Eureka Valley reminded the Commission that at the December 13 meeting of the Board of Supervisors they will be expected to respond to Supervisor Walker's request to prepare a waterfront land use plan to compliance with Proposition H.

President Herman reiterated that whatever is called for or required by Proposition H, staff and the Commission will comply.

Deputy City Attorney advised the Commission that the Port has been sued on Prop. H grounds on behalf of the Pier 39 Aquarium. The Commission should be aware that this is a matter of litigation, and is based on the extent to which Proposition H applies to that project.

The Commission accepted the Executive Director's report as presented.

4. FINANCE & ADMINISTRATION

a) The Commission was asked to approve a revision to the Administrative code which identifies individual memberships in which the Port participates. The proposed revision in the Code brings it in line with the Port's 190-91 budget.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

b) The Commission was presented with the Statement of Revenues and Expenditures for the period ending October 31, 1990 with a brief discussion following.

5. PROPERTY & MAINTENANCE

a) Under the consent calendar, the Commission was asked to approve a lease with Bay Area Tank & Marine for relocation purposes of a storage yard. All relevant regulatory permits and insurance coverage have been obtained, since the tenant is in the business of treating soil contaminated with petroleum products.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

A lease with Bloombrook International was approved conditioned upon certain minor administrative details being resolved. The lease is for space in the World Trade Center for retail/office space.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

Mr. Conrad indicated that the third item, an amendment to a lease to add storage space, was deleted since it was determined not to be needed by the tenant.

b) The Commission was next asked to approve a two year lease with Excelsior/BAPC for surface parking at SWL 330, 329, 327, a portion of Belt Line railroad right-of-way adjacent to SWL 324, SWL 323, and a portion of SWL 322.1.

Commissioner Bouskos asked to be excused by Commission action from participating in this matter since the principals of Excelsior/BAPC are longtime friends and business associates, and would prefer not to vote on the matter.

ACTION: Moved by Commissioner Halsted to exempt Commissioner Bouskos from participating in this matter, seconded by Commissioner Wong, carried.

Keri Lung presented a request to the Commission to award a lease to the highest bidder, Excelsior/BAPC, a joint venture, for Bid Item 2, to includes all lots specified in Item 5(b) except SWL 348. Demolition of the Embarcadero freeway was not anticipated at the time the bid package was issued, and the impact on the Port's tenants could not be foreseen. Therefore with the exclusion of SWL 348 from the lease, the Port will retain some flexibility to handle tenant and customer access.

Staff also asked that the Commission acknowledge their review of the environmental documentation on all the lots included in the lease, as part of the award to Excelsior/BAPC. The award of this lease is contingent upon approval of the Board of Supervisors.

Commissioner Halsted asked if Excelsior/BAPC will be given preference on any future bidding on the excluded lot. Staff indicated that no preference would be given on the basis of this award. The Commission took the following action.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, and carried.

6. MARITIME

7. PLANNING & ENGINEERING

a) The Commission next considered a request to advertise for purchase of a Star Crane telescopic spreader, to be used at Pier 94, Container Terminal South. The purchase is necessary to eliminate potential unsafe conditions caused by existing spreaders which have sustained damage. The staff, given Commission approval, will solicit bids for the purchase.

ACTION: It was moved by Commissioner Halsted, seconded by Commissioner Bouskos, carried.

b) Commission declared a Class "A' emergency due to the collapse of a portion of a wooden shed and underlying timber deck at Pier 36. The resulting hazardous condition is a danger to navigation and in general, is a public safety.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

8. LEGAL

The Commission withdrew to executive session to discuss three issues:

a) Final settlement of Allianz v. CCSF, Superior Court No. 847-420;
b) A matter of possible litigation;
c) CCSF v. Continental Development Corp., San Mateo Superior Court No. 306-225.

The Commission reconvened in regular session and the Deputy City Attorney announced acceptance of a settlement in the Allianz case, and further stated that the Commission authorized the City Attorney's office and the Executive Director to negotiate a settlement with Cory Galleries, Inc. regarding an ongoing dispute over the use of its premises.

The meeting adjourned at 6:30 p.m.

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9/91

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Wednesday, January 9, 1991 in the Commission Room, Suite 3100 of the Ferry Building.

1. ROLL CALL

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PRESENT:	James R. Herman, President
	James M. Bouskos, Vice President
	Anne Halsted, Commissioner
	Dr. Arthur Coleman, Commissioner
	Douglas F. Wong, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting of December 12, 1990 were approved by motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

The Commission next considered the election of officers for 1991. Commissioner Halsted moved to retain Commissioner Herman as president and Commissioner Bouskos as vice-president for a second term in office. This was seconded by Commissioner Coleman, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta requested postponement of Item 5(a), the Scandinavia Center Inc. proposal for an International Passenger Cruise Terminal Center at Pier 30/32 until the meeting of January 23, 1991, in order to provide additional time for the Commission's review of the proposal.

ACTION: The Commission concurred, and Item 5(a) was postponed until the meeting of January 23, 1991.

The director reported the sale by Southern Pacific of 85 miles of track to the Joint Powers Board, a regional Bay Area transportation authority for approximately $288 million. Mr. Huerta said this is good news for the Port since the trackage includes the $11 million tunnel modification project which will bring double-stack rail service to the Port.

Mr. Huerta gave a brief report on the three public workshops which were held to discuss the Waterfront Transportation Projects, proposed to be developed along the Embarcadero. The outstanding issues discussed included functional aspects, such as traffic flow, transit, public access, and parking. Other topics also covered design details and materials as well maintenance issues, and treatment of marginal wharves. Mr. Huerta indicated that a Memorandum of Understanding would be signed by all agencies involved.

The Port Commission is considering the adoption of the urban design criteria for the waterfront transportation projects. There are six areas in which the City staff Technical Advisory Committee and the Civic Design Committee of the Arts Commission disagree and both have submitted recommendations on these matters. Included in these areas are crosswalk and promenade surface materials, historic luminaires as opposed to functional, placement of trees on the landside and not the waterside or medians. Commissioner Halsted as Chairperson of the Review Committee will report on the recommendations of the Committee on the disputed design criteria.

Mr. Huerta reported that maintenance issues involved in these projects were resolved by making the Embarcadero an accepted City street. In essence the Port remains the underlying property owner, retaining authority for placement of parking meters and collection of meter revenues. The City Department of Public Works will undertake responsibility for the maintenance of the Embarcadero and the promenade. Funding for street furniture and maintenance will be through the City's half-cent sales tax program.

Mr. Greg Baldwin, urban designer with Zimmer, Gunsul, Fransca, presented a slide show depicting the overall concept which is being recommended to the City, and noted this is the third and final phase of the design process The concept has a three major components: 1) strengthening the corridor from Fisherman's Wharf to King Street, and Mission Bay; 2) aligning or enhance a rapport between downtown streets and bulkheads and piers; and 3) creating a special civic place.

Further discussion followed regarding suggested surface materials, inclusion and placement of trees, choices in light standards, all of which would blend together to create a homogeneous effect from a distance, and upon closer viewing would reveal interesting distinctions.

4. FINANCE & ADMINISTRATION

a) Two financial reports were presented for Commission review: a statement of accounts receivables ending November 30, 1990, and refunds and allowances for the same period in the amount of $50,709, and the Commission took the following action.

ACTION: Approved by motion of Commissioner Coleman, seconded by Commissioner Halsted, carried.

b) The budget for fiscal year 1991/92 was submitted to the Commission for consideration and review. Staff will request approval and adoption of this budget at the Commission meeting on January 23, 1991.

c) The Commission was next asked to approve efforts by Port staff to apply for state funds to improve the Ferry Terminal and to provide upgraded facilities for the commuting public who utilize the ferry system. Commission was also asked to recommend that the Board of Supervisors also support the application for funds for ferry terminal improvements. The Commission concurred in this request and took the following action.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Bouskos, carried.

5. This matter was deferred until the next meeting.

6. MARITIME

7. PLANNING & ENGINEERING

Commissioner Halsted reported on the recommendation of th Port Commission Committee on Waterfront Transportation Projects. Initially she addressed the area of disputed design criteria and reported the Special Review Committee recommendations as follows:

Concrete 3 ft. squares for the Promenade
Asphalt for crosswalk surface
Concrete cobble for median surfaces
Functional lights in median
Single historic lights in promenade
Single historic lights landside
No trees in median
25 ft. spacing of deciduous trees, landside only

Other recommendations also included:

that loss of parking revenue to the Port must be mitigated by DPW's accepting maintenance responsibility of the reconstructed roadway;
loss in parking supply near Ferry Building must be mitigated under the MOU;
the marginal wharf at Pier 7 be incorporated into the project;
all design elements be as simple and modular as possible to permit flexibility in use and efficiency of repair;

Commissioner Bouskos expressed his thoughts on maintaining a more commercial or industrial aspect on the waterside of the project, and therefore felt trees should be located only, as stated, on the landside. He also reiterated the need to make design elements modular in order to maintain future flexibility. for needed changes.

President Herman called for public comment in this matter. Eleven individuals, including representatives from the American Society of Landscape Architects, San Francisco Beautiful, Tree Board Advisory, Telegraph Hill Dwellers Association, the Sierra Club, and others, spoke in opposition to the Committee recommendation to limit tree placement to the landside of the project, and asked that further consideration be given to locating trees on the waterside as well as in the median.

8. LEGAL

The Commission withdrew to executive session for discussion of two issues. Following the executive session, the Commission reconvened and the Deputy City Attorney announced no action taken in the matter of CCSF v. Continental Development Corporation. In the matter of Long's Fish Company, Su Van Vo and Brian Lewis, the Commission acted to deny a request for application to present a late claim.

9. NEW BUSINESS

10. ADJOURNMENT

The meeting adjourned at 6:45 p.m. by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Wednesday, January 23, 1991 in the Commission Room, Suite 3100 of the Ferry Building.

1. ROLL CALL

PRESENT: James R. Herman, President
James M. Bouskos, Vice President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

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2. APPROVAL OF MINUTES

The minutes of the meeting of January 9, 1991 were approved by motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

President Herman announced that Michael Janis, acting executive director in the absence of Michael Huerta, who is traveling on Port business, would present the Executive Director's report.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Janis asked that the Commission take up Items 5(a) and 5(b) as its first order of business. This is the sales and rent report for November 1990 and the Scandinavia Center proposal for an International Passenger Cruise Terminal at Pier 30-32. Further, for the benefit of the public, he noted that Item 7(a) the approval of Urban Design Principles of the Waterfront Transportation Projects; and authorization to execute an MOU was being postponed and no action taken on this matter at this meeting.

Commissioner Halsted, chairman of this committee, reported that she is continuing to work to resolve some of the issues involved in this matter.

Mr. Janis informed the Commission that it is staff's intention at the February 13, 1991 meeting to present a strategy for interim uses at Pier 35, as well as a plan for its implementation.

5. PROPERTY & MAINTENANCE

a) The sales and rent report for the period ending November 30, 1990 was presented for the Commission's review. A brief comparison with previous years indicated a strong, steady growth in sales.

b) Keri Lung, planning manager, introduced Mr. Erik Norgaard, president of Scandinavia Center Inc., to make the presentation of the proposal for a passenger cruise terminal center at Pier 30-32.

Following 2 and 1/2 years of research and design, Mr. Norgaard stated he was pleased to present a proposal for a cruise terminal center of world class attraction, combining thoroughly functional elements with stunningly breathtaking design. The International Cruise Terminal Center will include several distinctive elements. Namely, the World Center Computational Globe, the glass "sails" of the Great Hall, reconstructed historic Pier Heads, an International Harbor Park, the largest open air public park and the full service cruise terminal facility. Other elements of the proposal are the Scandinavia Center providing exhibition areas, and retail shopping experiences, and a 360-room hotel across the Embarcadero catering primarily to cruise passengers and crew. There will be ample parking provided, as well as abundant pedestrian access.

The primary berth will be located on the East face of Pier 30-32, with the secondary berth located on the South side. It is anticipated that a portion of Pier 34 will be removed to provide safer berthing operations.

Mr. Norgaard presented two members of his team: Mr. Henrik Hvidt, of the Scandinavian architectural firm of Hvidt & Molgaard, who prepared the design and will continue in the construction phase, and Mr. Piero Patri, of the architectural firm of Whisler-Patri, whose experience in local design and approval processes will ensure completion of this project in keeping with San Franciso's special traditions.

The Chair of the Board of Governors for the World Centre, Mrs. Pat Di Giorgio, spoke with great enthusiasm about the collaborative effort between the World Centre and the Scandinavia Center. She elaborated on the fascinating prospects for learning afforded by the Computational Globe, as well as the innovative and diverse opportunities envisioned by the Living Museum. Mrs. Di Giorgio presented a letter of congratulaltions from the Secretary-General Javier Perez de Cuellar of the United Nations on the establishment of the proposed Centre in San Francisco. She then presented Mrs. Lili Li-Luo Lim, president of the World Centre, who expanded on the aims and aspirations of the World Centre, and on its place as an integral part of the proposed Scandinavia Center proposal. Ms. Aileen Hernandez spoke next on the MBE and WBE participation in this project, and the commitment of the Scandinavia Center principals to this participation.

President Herman thanked all the speakers, and asked for public comment. Mr. Joe O'Donoghue, San Francisco Residential Builders, spoke in support of the Scandinavia Center proposal, expressing his organization's belief that this proposal substantiates Proposition H by locating the hotel across the Embarcadero on a seawall lot , rather than on the pier itself.

Commissioner Coleman expressed his appreciation to all the team for a clear, concise and well detailed presentation.

The Commission returned to the regular agenda, and Vice President Bouskos called for matters under Finance and Administration.

4. FINANCE & ADMINISTRATION

Mr. Kutnick presented the Commission with two financial reports - statement of revenues and expenditures ending November 30, 1990, and statement of accounts receivable ending December 31, 1990.

Commission approval was requested on the 1991/92 budget as submitted at the meeting of January 9, 1991. Mr. Kutnick indicated that once the Commission approved this budget, it would be forwarded to the Mayor's office.

Mr. Michael Gallette, representing Fisherman's Wharf Port Tenants Association, asked the Commission to reconsider its allocation of $10,000 to Festa under this year's budget. In his opinion, revenue from Wharf tenants to the Port is substantial; therefore the Port's contribution to this event should be more equitable.

Commissioner Halsted inquired whether the Port did not also contribute in-kind services as well to the Festa event, such as property and maintenance department services. Mr. Janis agreed that this was the case, and informed the Commission that Mr. Huerta had agreed to meet with Mr. Gallette upon his return in order to discuss this matter further.

Mr. Kutnick suggested that the Commission approve the budget as submitted, pending the possibility of subsequent revision. The Commission agreed and took the following action.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

Commission next considered the matter of issuing a request for proposals to employ the services of an underwriting firm to assist the Port in the refinancing of Port revenue bonds. A brief discussion ensued, with the Commission approving as follows.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

There being no further business, Vice President Bouskos called for a motion to adjourn the meeting. It was moved, seconded, and carried to adjourn at 6:15 p.m.

SAN FRANCISCO PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened at 3 o'clock p.m. on Friday, January 25, 1991 in executive session for discussion of City and County of San Francisco v. Continental Development Corporation, San Mateo Superior Court No. 306-225, which is a matter of pending legislation. The executive session is specifically authorized under California Government Code Section 54956.9, subdivision (a).

All Commissioners were present, with the exception of President Herman who was unable to attend because of business matters. The meeting was adjourned at 3:58 p.m.

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13/91

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Wednesday, February 13, 1991 at 3:00 p.m.in the Commission Room, Suite 3100 of the Ferry Building.

1. ROLL CALL

PRESENT: James R. Herman, President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: James M. Bouskos, Vice President

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2. APPROVAL OF MINUTES

The minutes of the meeting of January 23, 1991 were approved by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

The director presented a draft work program to the Commission on the waterfront land use plan as conceived by staff. Mr. Huerta indicated that a more detailed task-level program would be prepared following the Commission's review. Input from other departments and local and regional agencies will also be solicited, with an emphasis on maximum feasible public participation, as well. Formulation of a citizens advisory board or committee, representing all the various interests and perspectives on the use of the waterfront, is recommended. In addition, retaining consulting services or augmenting Port staff to ensure better communication between the Port and the public is also being considered.

The land use planning process encompasses four phases. The first phase is an analysis of shipping and water-dependent industries to identify the land to be reserved for these uses, and secondly, identification of capital requirements needed to realize the economic development potential of these key industries.

The second phase will identify a preferred development program not reserved for shipping and water-dependent industries, and will begin by identifying goals and performance standards for development of new or retention of existing public recreation, commercial recreation and office uses.

In the third phase, the land use designations relative to shipping and water-dependent industries will then be re-evaluated in conjunction with the preferred land use plan and development program for the remainder of the waterfront.

It is estimated that phase one will be completed within 3-5 months, phase two within 6-8 months, and phase three, resulting in a plan for the entire waterfront to be concluded within one year. Phase Four which would include Final EIR approval, could be complete by August 1992.

4. FINANCE & ADMINISTRATION

Two financial reports were presented for Commission review and approval: Refunds and Allowances in the amount of $37,236 for the period ending December 31, 1990, and a Statement of Expenditures for the same period.

ACTION: Approved by motion of Commissioner Halsted, seconded by Commissioner Coleman, carried.

Commission next approved two Non-Civil Service Temporary appointments which were made in the month of January by motion of Commissioner Halsted, seconded by Commissioner Wong, and carried.

5. PROPERTY & MAINTENANCE

a) The Commission reviewed and approved two leases for space located in the World Trade Center to Bettman Consultants, Inc., and World Centre of San Francisco.

b) The Commission considered the staff recommendation to authorize exclusive negotiation with Scandinavia Center Inc. for a mixed-use development proposal for a passenger cruise terminal center at Pier 30-32. The Port received one response to its request for proposals for development of an international cruise terminal from Scandinavia Center Inc. which was reviewed by staff and found to be generally consistent with the terms of the RFP. Therefore staff recommended that the Commission authorize the Executive Director to accept the "Offer to Negotiate Exclusively" by Scandinavia Center, Inc. (It was pointed out that entering into exclusive negotiations does not commit the Commission to accept the proposal in its present form, it merely begins the process through which this proposal will be reviewed and refined, and the Commission's preliminary approval obtained.)

Upon execution of the Offer to Negotiate, staff will have ninety days to negotiate a development memorandum which will be brought before the Commission for its review and approval. The development memorandum will set forth the obligations of the developer and the Port in further refining the project, seeking all necessary public approvals, and negotiating the terms of a lease for the project.

President Herman asked for public testimony on the matter prior to Commission action, and the following individuals spoke in support of the proposed project.

Jule Anderson, World Centre director
Paul Dempsey, Maritime Port Council
Jim Kennedy, Boondocks Restaurant
Walter Johnson, San Francisco Labor council
Mike Dillon, Carpenters Union
Rick Anderson, Bay City Metal Trades Council
Reioun Stromsheim, Norwegian-American Chamber of Commerce
Kaj E. Kristensen, Sailors Union of the Pacific
Soren Klinge, Klinge Corporation
Sherri Chiesa Hotel & Restaurant Union
Stan Smith, Building Trades Council
Carol Ruth Silver, Board of Directors, World Centre

Commissioner Herman thanked all the speakers for their support, and expressed his belief that it was time for the Port to move forward, to leave behind the recriminations and acrimony engendered by the recent dispute over hotels, and for both sides to join force in re-establishing San Francisco as a major port. He cited the job opportunities, both in the building trades and the restaurant and hotels, afforded by the Scandinavia Center proposal as essential to the economic well-being of the new waterfront.

Commissioner Coleman expressed his wholehearted support of the project, but indicated some concern about the financial aspects of some of the components as not yet being fully detailed.

The Commission took the following action. Commissioner Halsted moved approval, seconded by Commissioner Coleman, and carried.

c) The Commission reviewed and approved an amendment to a lease with Crent Company for warehousing space at Pier 31. The amendment includes an extension of term and corresponding rent adjustments, as well as updating certain lease provisions reflecting current policy and and legal requirements. Staff will forward the lease amendment to the Board of Supervisors for approval pursuant to City Charter Section 7.402-1.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

d) The Commission next addressed the issue of approving the Mission Creek Harbor Association Design and Maintenance Covenants as adopted by the Association. These are guidelines relative to the appearance of the premises and facilities and structures thereon, and govern placement and improvements to boats, houseboats and floating homes berthed in the harbor.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

6. MARITIME

a) Concurrent with the proposed development of a new passenger cruise terminal at Piers 30/32, staff proposes to issue a letter of expression of interest to determine whether there is interest in an interim lease of Pier 35. The lease would encompass marketing, managing and operating new activities at Pier 35 which would be in addition to but compatible with cruise ship operations for the period of construction of the new terminal. A distribution list is being compiled and the Port will make an extensive outreach effort to include minorities, women and small business entitiess. The letter of expression of interest (LEI) will be issued by February 25 with responses due by March 25. These will be reviewed by staff and presented to the Commission.

7. PLANNING & ENGINEERING

a) Staff presented the Commission with a request to approve the criteria for urban design principles of the Waterfront Transportation Projects. The Commission previously reviewed the Waterfront Transportation Projects for impact on the Port, and directed staff to negotiate a Memorandum of Understanding with the affected City agencies to address the Commission's concerns, such as loss of parking spaces and revenue, and maintenance cost responsibilities. As part of the MOU, the Commission will adopt "Design Criteria" which resulted from input from a number of sources, Urban Design Study Team, the Technical Advisory Committee, and Civic Design Committee, and the Port Commission's Special Review Committee. The MOU also provides that the Port Commission will review and approve any changes or refinements to the Design Criteria, as well as preliminary and final design details and engineering documents for all phases of the WTP. The resolution approving the design principles will authorize the Director to execute the MOU approving the projects, and adoption of required CEQA findings.

Commissioner Halsted reported that a major change of the changes resulting from the last public meeting was a change in placement of trees along both sides of the median. Further, Commissioner Halsted stated that since these design guidelines are complicated and not specific in every detail, and therefore subject to further refinement and changes, it is her intention that the Commission committee will continue to monitor any changes. She stated that she fully expects these to come back to the Port Commission for final approval.

President Herman asked for public comment, and Mr. Dehnert Queen, of Small Business Development Corporation, stated his opposition to the Commission's approving the Waterfront Transportation Projects, alleging that his objections have not been responded to in writing, in accordance with CEQA findings.

Peg Divine, project manager for the Waterfront Transportation Projects, responded noting that the document referred to is the Federal Environmental Assessment and the final publication does respond to Mr. Queen's comments, and all others as well.

Tom Stone, Mini Storage owner-tenant of the Port, asked that the Port and other agencies involved in the project not act prematurely in relocating his business, thereby causing needless adverse impact on his four hundred tenants.

Peg Divine addressed this issue of relocation of Port tenants, noting that tenant notification was in abeyance until the Federal certification was received and will now proceed under the aegis of the Redevelopment Agency. Both Commissioner Halsted and Commissioner Herman affirmed their desire that a continued spirit of cooperation with City agencies and the Port will prevail. Ms Divine expressed her appreciation to the Commission and to the Port staff for their continued cooperation.

President Herman asked for Commission action.

ACTION: Commissioner Halsted moved approval of Resolution No. 91-9, seconded by Commissioner Coleman, carried.

9. LEGAL

The Commission withdrew to executive session for discussion of settlement of litigation in the matter of CCSF v. Continental Development Corp., San Mateo Superior Court No. 306-225, authorized under California Government Code Section 54956.9, sudvision (a), and secondly, a matter of possible litigation, which is specifically authorized under California Government Code Section 54956.9, subdivision (b)(i).

At the conclusion of the executive session, the City Attorney announced approval of a settlement in the amount of $3,000,000.00, and a request to the Board of Supervisors to authorize a supplemental appropriation for that purpose.

The Commission meeting was adjourned at 5::30 p.m.

February 28, 1991

ADDENDUM

At the meeting of February 27, 1991 the Commission accepted a letter from the Fisherman's Wharf Port Tenants Association requesting clarification of a statement by Michael Gallette, and by motion made this letter a part of the official record.

The Fisherman's Wharf Port Tenants Association
Pier 45, Shed A
Fisherman's Wharf
San Francisco, CA 94133
(415) 673-4143

A. LaRocca Seafood
Alcatraz Enterprises, Inc.
Alioto's Restaurant
Bennett Gallery
Boat "Butchie B"
Borruso's Lighthouse Restaurant
Boudin / Parisian Bakeries
California Aquatic Resources
California Shellfish Co.
Castagnola's Restaurant
Coast Marine Supply
Crab Boat Owners Association
Cresci Brothers Gifts
Cory Gallery
Fish Alley Bar & Grill
Fisherman's Grotto #9 Restaurant
Fisherman's Wharf Seafoods, Inc.
Fishfinder
Fishing Boat Deborah Ann
Franceschi's Restaurant
Franciscan Restaurant
Frank's Fisherman's Supply, Inc.
Gelardi's Gifts
Golden Sea Fisheries Company
Guardino's Gifts
Long's Fish Company
Lou's Pier 47 Restaurant
Marine Reef Fisheries
Meatball Bait
Monterey Fish Company
Morgan Fish
National Maritime Museum Association
Pompei's Grotto Restaurant
Red and White Fleet
S.B. Tarantino Insurance Brokerage, Inc.
Sabella & La Torre Restaurant
Scoma's Restaurant
Seawin Fish Company
Standard Fisheries
Tarantino's Restaurant
United Shell Fish Company
Pier 39

February 22, 1991

Elizabeth Day
Port Commission Secretary
Port of San Francisco
The Ferry Building
San Francisco, CA 94111

Re: Minutes, Port Commission Hearing of January 23, 1991

Dear Elizabeth:

I spoke with Mr. Huerta at the February 13th Commission meeting about several concerns I had in reference to the above minutes. Because of the late hour, he asked that I write to you rather than make a statement that day.

Incidentally, during the beginning of my remarks, the microphone was not on. I do not know if that portion of my presentation was recorded.

I am paraphrased in the minutes as follows: "Michael Gallette....asked the Commission to reconsider its allocation of $10,000.00 to Festa under this year's budget." In my letter of January 22nd to Michael Huerta, I asked not only for the $10,000.00 allocation, but also the restoration of the original amount of $25,000.00 and I believe my remarks at the hearing were identical. Also, I requested that the allocation be clearly noted as a promotional one for Fisherman's Wharf, not Festa Italiana. The monies budgeted originally in 1983 preceded any plans for the event and were defined as such. In researching the best way to spend the promotional fund, it was then decided that a successful major event would attract more media attention than outright purchase of advertising. The intent in establishing the promotional allocation was to effect a means by which the Port of San Francisco would help to generate continued and new awareness of the area. I was hoping to make the distinction between that criteria and the current use of those funds as "seed money" for the production. In theory, there was no reason, if we were successful enough,

why we could not then pursue additional promotions or programs to enhance the Wharf.

I appreciate your attention to this matter and would appreciate, as appropriate, that it be made a part of the record.

I had also wanted to express my gratitude to Mr. Huerta and the Commisssioners for their willingness to review and reconsider the 1991 allocation. Mr. Huerta and Mr. Janis have both taken the time to meet with me and we are continuing those discussions. I believe the result will be satisfactory and beneficial for both the Port and Port Tenants.

Sincerely,

Michael Gallette
Director

cc: Michael Huerta
    Members of the Port Commission

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2/27/91

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Wednesday, February 27, 1991 at 4:00 p.m.in the Commission Room, Suite 3100 of the Ferry Building.

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1. ROLL CALL

PRESENT: James M. Bouskos, Vice President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: James R. Herman, President

Vice President Bouskos chaired the meeting in the absence of President Herman, who is traveling on business.

2. APPROVAL OF MINUTES

The minutes of the meeting of February 13, 1991 were amended to include a letter from the Fisherman's Wharf Port Tenants Association requesting clarification of a statement by Michael Gallette to the Commission. Commissioner Wong made a motion to approve the minutes as amended, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta announced that demolition of the Embarcadero freeway is underway, with the Mayor and other civic dignitaries joining in today's ceremony to commemorate its demise. The decision to remove the freeway was a result of the Loma Prieta earthquake of October 1989. Its removal clears the way for the waterfront transportation projects to go forward.

4. FINANCE & ADMINISTRATION

Two financial reports were presented for Commission review and approval: Refunds and Allowances in the amount of $37,011 for the period ending January 31, 1990, and a Statement of Accounts Receivables for December 1990. Mr. Kutnick stated that in the matter of Gran Colombiana and Zim American Israeli Line, receipt of payment is anticipated shortly.

ACTION: Approved by motion of Commissioner Halsted, seconded by Commissioner Wong, carried.

5. PROPERTY & MAINTENANCE

a) The Commission reviewed and approved eight leases under the consent calendar for space located in the World Trade Center and Agriculture Building. Mr. Conrad asked to defer one proposed lease, and corrected the square footage and rental for a lease with Coastal Resources.

ACTION: Approval was moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

(b) The Commission reviewed the sales and rent report for December 1990, and Mr. Conrad made a brief comparison with the previous year for the month of December, noting a 1% decrease in sales. The Commission queried the cause of the decrease in sales and directed staff to continue to monitor this trend.

6. MARITIME

a) Staff requested Commission approval for a five-year Marine Terminal agreement with Pacific Meridien Line. Under this agreement, Pacific Meridien Line will make San Francisco's North Container Terminal its regularly scheduled port of call. This line operates one vessel between California, Mexico, Central America and Canada calling San Francisco approximately every 49 days. Revenue from this agreement will result in an increase to the Port of approximately $50,000 during the first year.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

b) Commission next reviewed a request to approve a five-year Marine Terminal Agreement with Maruba S.C.A. designating San Francisco as its regular port of call in the Bay Area. It is estimated that this carrier will generate approximately $100,000 in annual tariff revenue. The carrier will share cargo with ELMA on a 40/60 ratio and service will commence between South America and the U.S. West Coast in March 1991.

ACTION: Moved by Commissioner Coleman, seconded by Commissionerm Halsted, carried.

7. PLANNING & ENGINEERING

a) Staff presented the Commission with a request to authorize the award of Contract 2574 to the low bidder Tenco Material Handling Division of Peterson Caterpillar Power Systems, Inc.for one Star Crane Telescopic Spreader for Pier 94.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

b) The Commission next reviewed a request to authorize advertising for bids to repair the interior walls of the Ferry Building which were substantially damaged during the October 17, 1989 earthquake. The Commission took the following action.

ACTION: Moved by Commission Halsted, seconded by Commissioner Wong, carried.

8. LEGAL

9. NEW BUSINESS

Vice President Bouskos stated there were no issues for discussion under legal, and asked for new business and public comment. There being none, he asked for a motion to adjourn.

10. ADJOURNMENT

ACTION: Motion to adjourn by Commissioner Halsted, seconded by Commissioner Coleman, carried.

The meeting adjourned at 4:20 p.m.

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3/13/91

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in regular session on Wednesday, March 13, 1991 at 4:00 p.m. in the Commission Room, Suite 3100 of the Ferry Building.

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1. ROLL CALL

PRESENT: James R. Herman, President
James M. Bouskos, Vice President
Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner

ABSENT: Douglas F. Wong, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting of February 27, 1991 were approved by motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta reported on the work plan recently presented to the Commission for the waterfront land use plan. He specifically focused on public participation as an area of major importance, noting that an appointed panel is favored as a preferred approach. There will be a total membership of 25, 12 to be appointed by the Board of Supervisors, 12 by the Port Commission, and one appointed by the Mayor. Staff will develop an application package, and the President of the Commission will appoint a committee of two commissioners to review the applications. The application procedure should ensure that the panel is diverse and representative of all the Port's constituencies. At the next Commission meeting, Mr. Huerta will report on coordination of Port activities with other City departments' activities, as well as utilization of Port staff resources as part of the waterfront land use plan.

4. FINANCE & ADMINISTRATION

Mr. Kutnick presented one financial report for Commission review - a statement of revenues and expenditures for the period ending January 31, 1991, and this was received without comment.

(b) The Commission was asked to approve two non-civil service temporary appointments which took place in the month of February.

ACTION: Approval was moved by Commissioner Halsted, seconded by Commissioner Bouskos, carried.

5. PROPERTY & MAINTENANCE

(a) The Commission reviewed and approved a reduction in leased space to Conference Mailing Service, Lease L-1620.

ACTION: Approval was moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

(b) The Commission considered a request to transfer the Delancey Street Foundation's interest in the Embarcadero Triangle Project and assignment of the Delancey Street sublease to Embarcadero Triangle Associates. The Commission reviewed the matter, and took the following action.

ACTION: Approved Resolution No. 91-22 directing the Executive Director to execute the Estoppel Certificate, Ground Lessor Consent, and the Non-Distrubance and Attornment Agreement by motion of Commissioner Bouskos, seconded by Commissioner Coleman, carried.

(c) The Commission approved a 20-year lease with Service Engineering Company (SECO) for Sheds B and D at Pier 50. The lease incorporates the general terms and conditions as outlined herein, subject to approval of the Board of Supervisors. The rental rate of $44,000 per month with a CPI increase every five years; slip rental at 40% of published dockage rates; purchase by the Port of a metal shed at Pier 54; termination of an existing SECO lease for Piers 36 and 38; and SECO being responsible for obtaining all permits and for any required or desired dredging within the lease line.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

6. MARITIME

7. PLANNING & ENGINEERING

a) Commission authorized Port staff to issue a Request for Proposals for geotechnical, architectural, and engineering design services for the Ferry Terminal Upgrade Project, in accordance with Section 6.30 of the Administrative Code. This RFP will be for design services for Pier 1/2, and is part of an effort to improve the ferry system.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

b) The Commission next authorized staff to issue a Request for Proposals to select a qualified geotechnical consultant to perpform self-monitoring and laboratory testing of water samples. The California Regional Water Quality Control Board requires the Port to maintain a self monitoring groundwater program, reporting on a quarterly and annual basis, and this rfp is being issued in order to secure a consultant to perform these services.

ACTION: Moved by Commission Bouskos, seconded by Commissioner Halsted, carried.

8. LEGAL

An executive session authorized under California Government Code Section 54956.9, subdivision (b)(i) was called for at 4:50 p.m. for discussion of a matter of possible litigation. At the conclusion of the executive session, the City Attorney stated no action had been taken.

There were no new matters for discussion. The Commission meeting adjourned at 5:15 p.m.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

MINUTES

The Port Commission convened in special session on Friday, March 29, 1991 at 9:00 a.m. in the Commission Room, Suite 3100 of the Ferry Building. (This meeting replaced the regularly scheduled Wednesday afternoon Commission meeting since the agenda for that meeting was incorrectly dated and therefore improperly noticed.)

1. ROLL CALL

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PRESENT:	Anne Halsted, Acting President Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner
ABSENT:	James R. Herman, President James M. Bouskos, Vice President

2. APPROVAL OF MINUTES

The minutes of the meeting of March 13, 1991 were approved by motion of Commissioner Coleman, seconded by Commissioner Wong , and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta asked the Commission to defer four items under Item 5(a) consent calendar, and Item 5(c) pending final negotiations, and the Commission agreed. The Director then discussed the Port's proposal for creating a wetlands at Pier 98, and invited the Commission and the public to attend an informational meeting on April 2 at the Southeast Water Treatment Facility for discussion of this proposal.

4. FINANCE & ADMINISTRATION

Mr. Kutnick presented two financial reports for Commission review - a status of accounts receivable and refunds and allowances. Mr. Kutnick asked for Commission action in approving refunds and allowances in the amount of $132,202.

Action: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

5. PROPERTY & MAINTENANCE

(a) Under the consent calendar, the Commission reviewed a request by Pollack Group Ltd. for use of space at Wharf J-3 for food preparation, and storage under a 3-year lease.

(b) This matter was discussed in conjunction with the proposed assignment of Borruso's lease L-7492 for restaurant space at Fisherman's Wharf to the Pollack Group. Mr. Conrad indicated that a major renovation of the space is anticipated by the Pollack Group following the summer season, and they have indicated an interest in a possible rent credit. Commissioner Halsted asked if any commitment has been made regarding this possibility, and staff assured the Commission that no commitment has been made as part of the current negotiation. Staff wished to make the Commission aware that there had been discussion of this matter.

ACTION: It was moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

Continuing under the consent calendar, the Commission approved an amendment to the Bloombrook International lease in order to relocate this tenant temporarily while repair work is underway in the Ferry Building.

(c) Commission reviewed the sales and rent report for the month of January 1991, and a brief discussion followed.

6. MARITIME

7. PLANNING & ENGINEERING

a) The Commission authorized the Executive Director to allow the Director of Property for the City and County of San Francisco to certify clearance of rights-of-way under State law in conjunction with State or Federally funded construction projects. Two projects, the Waterfront Transportation Projects and the Ferry Terminal upgrade at Pier 1/2 require this certification in order to comply with State and Federal law and allow Port tenants to qualify for reimbursement of relocation expenses should such relocation be necessary for these particular projects.

ACTION: Resolution 91-30 was moved by Commissioner Coleman, seconded by Commissioner Wong, and carried.

8. LEGAL

9. NEW BUSINESS

There were no new matters for discussion. The Commission meeting adjourned at 10:30 A.M.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

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May 8, 1991 Commission Meeting

MINUTES

President James Herman convened the meeting of the Port Commission in regular session on Wednesday, May 8, 1991 at 4:00 p.m. in the Commission Room, Suite 3100 of the Ferry Building. All Commissioners were present except for Commissioner Halsted who was traveling out of state.

1. ROLL CALL

PRESENT: James R. Herman, President
James M. Bouskos, Vice President
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner

ABSENT: Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The Commission approved the April 24, 1991 minutes by motion of Commissioner Coleman, seconded by Commissioner Bouskos, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta asked that the matter of appointments for the Waterfront Plan Advisory Board be postponed until the meeting of May 22, 1991 and the Commission concurred with this request.

The director also asked to postpone discussion of the Port's Organizational Analysis until the next meeting pending further meet and confer sessions with Port employees and union representatives. President Herman noted that members of the Maintenance Department requested to speak to this issue and asked for comment. Charles Piazza and John Leonard of the Maintenance Department thanked the Commission for the opportunity to address the matter but said they would wait until after the scheduled discussions with Civil Service and the unions, as indicated by the Director.

4. FINANCE & ADMINISTRATION

Mr. Kutnick presented one financial report, a Statement of Expenditures for the period ending March 31, 1991 for Commission review. The Commission received this report with no discussion.

5. PROPERTY & MAINTENANCE

a) Mr. Conrad asked to defer consideration of two leases and asked for approval for Lease No. L-11631 for Ino Guide Inc. for space in the World Trade Center.

ACTION: Moved by Commissioner Bouskos, seconded by Commission Coleman, and carried.

b) The Commission discussed the current policy concerning fees for occasional use of Port property for foot and bicycle races. Presently the Port charges a $500 administrative fee to all organizations for this type of events, which many not-for-profit organizations have indicated are burdensome because of a limited budget.

Mr. John Galletta of the San Francisco Italian Athletic Club, one of two organizations seeking a waiver for this fee explained that his organization's run consisted of approximately 25-50 people who would only be running an 8k run on Jefferson Street.

Commissioner Bouskos asked whether Mr. Galletta had paid the fees required by other City agencies such as the Police Department and Recreation and Park Department. Receiving an affirmative answer, Commissioner Bouskos indicated he saw no reason for an exemption for Mr. Galletta from paying the Port's fee.

A brief discussion followed , and staff was directed to make some findings on the matter and report back to the Commission. In the meantime, Mr. Galletta was urged to proceed with preparations for his race in June with a positive attitude.

6. MARITIME

7. PLANNING & ENGINEERING

a) The Commission authorized final payment and acceptance of work for Contract No. 2572 for emergency paving repair at Pier 96 container terminal south.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman, and carried.

b) The Commission was requested to authorize payment for Contract No. 2562 for terminal power undergrounding at Pier 96 container terminal south. Chief Harbor Engineer, Cliff Jarrard, indicated that several modifications were issued due to a number of unforeseen and unanticipated conditions resulting in an increase in contract cost from $569,900.00 to $932,395.00.

Commissioner Bouskos questioned Mr. Jarrard thoroughly on the reason for the escalation in the contract price, and indicated in the future he wanted all modifications to come before the Commission for review and approval. Mr. Jarrard acknowledged that in most instances staff would prefer to have Commission approval before proceeding but emergency situations sometimes prevented that.

ACTION: It was moved by Commissioner Coleman, seconded by Commissioner Wong to approve Resolution No. 91-40. Commissioner Bouskos abstained from voting in this matter. Final vote: 3 ayes, 1 abstention.

c) The Commission authorized final payment and accepted work for repair work to the Agriculture Building caused by the Loma Prieta earthquake under Contract No. 2564 with no discussion.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried to approve Resolution No. 91-41.

Under New Business, Mr. Dehnert C. Queen, representing Small Business Development Corporation, asked to present the Commission with a report on his proposed alternative approaches to the proposed I-280 Embarcadero Roadway. The Commission Secretary received the report without comment.

8. LEGAL

At 4:59 p.m., the Commission withdrew to executive session for discussion of Reed v. CCSF, Superior Court No. 931-206, which is a matter of pending litigation. The executive session was authorized specifically under California Government Code Section 54956.9, subdivision (a).

At the conclusion of the executive session, and with no action taken, the Commission formally adjourned at 5:40 p.m.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

May 22, 1991 Commission Meeting

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MINUTES

The Port Commission convened in regular session at 4:10 p.m. in the Commission Room, Suite 3100 of the Ferry Building. All Commissioners were present.

1. ROLL CALL

PRESENT:	James R. Herman, President
	James M. Bouskos, Vice President
	Dr. Arthur Coleman, Commissioner
	Douglas F. Wong, Commissioner
	Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting of May 8, 1991 were approved with one correction. Commissioner Bouskos requested the secretary to amend the minutes with the addition of the following.

> Page 3, para. 5, Item 7(b). A brief discussion ensued regarding his abstention and it was determined that Commissioner Bouskos would vote on this matter. The final vote in the matter of approving Resolution No. 91-40 was:
>
> Commissioner Herman, Coleman, Wong - 3 aye votes.
> Commissioner Bouskos - 1 no vote.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta announced the names of the individuals recommended for appointment to the Waterfront Plan Advisory Board, noting that the selection for the appointments had been extremely difficult. The more than seventy-five applicants reviewed displayed individual and specialized ability or perspective which would make a valuable contribution to the Board. The Advisory Board will provide a forum for debate and exchange of ideas, and the success of this effort will depend upon the active involvement of all the members in the planning process.

The following named persons are recommended for Commission approval:

Anne Marie Cervantes, Architect
Denise Conley, Keyser Marston Principal
James Eschen, President, CS&B (retired)
Patrick Flanagan, President, Standard Fisheries
Lester Gee, Architect
Toby Levine, Teacher
Denise Hinkle McCarthy, Director Telegraph Hill Ctr.
Richard Millet, Architect
George Mix, Bay Urban League Director
Jack Morrison, SF Tomorrow
Curt Rodby, Vice Pres. Nedlloyd
Emily Rodriguez, Director Esprit
Marina Secchitano, Director Inland Boatmen's Union

President Herman asked for a motion on the resolution. Prior to any action, a member of the public asked if the candidates for the Advisory Board appointments had ever appeared before the Commission for formal interviews, and he was informed that this had not been part of the selection process.

Commissioner Halsted, as a member of the subcommittee selecting the candidates, emphasized that the Board will have an important role, in an advisory capacity, in determining the planning process for the Port's waterfront property capacity, but that the ultimate responsibility for completion of a comprehensive waterfront plan will be the Commission's.

ACTION: Resolution No. 91-36 was approved by motion of Commissioner Bouskos, seconded by Commissioner Wong, and carried.

President Herman asked that the newly appointed members of the Waterfront Plan Advisory Board present in the audience stand and be acknowledged.

The director noted that the matter of the Port's new organization structure and appointment of division directors under the Port's Organizational Analysis would be postponed until the Commission meeting of June 12, 1991.

Mr. Huerta reviewed the Corps of Engineers program for Long Term Management Strategy (LTMS) involving the unprecedented policy of bringing together government agencies, environmental groups, and ports in committee to develop a regional program to find and manage long-term disposal solutions. The program is structured to develop local disposal options for dredged material disposal over the next fifty years. A four-year program will cost approximately $16 million to provide a broad array of disposal alternatives that are technically defensible and environmentally and economically acceptable.

Funding for these studies is to be shared by users based on volume dredge. The Port's share has been set for fiscal year 1993 at $38,100 based on a 200,000 cubic yard annual volume. This one time fee will be used to fund the in-bay and upland studies.

Mr. Patrick Flanagan, Standard Fisheries, asked to address this matter, reminding the Commission of his long term commitment to this issue, and expressing his concern at the escalation of fees at the state and federal levels. He urged caution on the part of the Commission in committing to a course and to costs which have not yet been clearly defined.

Mr. Huerta agreed that it is important for the Commission to exercise judicious concern in this regard, and indicated that staff will bring the matter before the Commission for final decision .

4. FINANCE & ADMINISTRATION

a) Mr. Kutnick presented one financial report - Accounts Receivable - for Commission review, and it was accepted with no discussion.

b) The Commission was next asked by staff to make a recommendation to the Board of Supervisors to authorize application for grants for funding from the California Transportion Commission, the Metropolitan Transportation Commission, and other State agencies that can be used to finance Phase II of the Ferry Terminal Upgrade Project.

ACTION : It was moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

5. PROPERTY & MAINTENANCE

a) Mr. Conrad presented four leases for approval and asked to defer consideration of the lease for Ken Burger, for a service station parking lot pending further negotiation.

ACTION: It was moved by Commissioner Bouskos, seconded by Commission Halsted, and carried to approve all four leases.

b) The sales and rent report for the month of March 1991 was submitted to the Commission, and a brief discussion followed.

c) The Commission was next requested by staff to authorize a thirty day extension to the exclusive negotiation period with Scandinavia Center, Inc. due to fact that though negotiations have progressed well, there are remaining details to be resolved. The original date for concluding negotiations was June 3, 1991, but because of the complexity of the project and the addition of issues which were not expected to be addressed in the Development Memorandum, staff is seeking an extension of an additional thirty days. Staff also recommends that Scandinavia Centre continue paying the lower negotiating fee of $5,000 per month for the extended period rather than a higher extension fee of $10,000 per month as provided in the Offer to Negotiate Exclusively.

The Commission took the following action.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried approving Resolution No. 91-50.

6. MARITIME

a) Commission was presented with an amendment to the Terminal Management Agreement with Stevedore Services of America to increase the area of service currently under operation by SSA at Pier 94 & 96. The amendment will also include rent credits in the amount of $24,808.72 representing the Port's portion of the amount expended by SSA for high security crash gates at ingress/egress points. The amendment also confirms that the management agreement expires as of October 31, 1992 without an automatic right of renewal. The fourth amendment incorporates the non-discrimination provisions of the Charter of the City and County as well as the McBride principles.

Staff clarified for Commissioner Herman that although there was no automatic renewal right, there is the option for renewal by mutual agreement.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Halsted, carried.

The Commission asked that staff define the McBride principles. Staff explained that companies who are doing business in Northern Ireland are endeavoring to resolve the economic disadvantages of the people living there.

7. PLANNING & ENGINEERING

a) Commission authorized staff to award Contract No. 2577 for interior repairs to the Ferry Building for damage resulting from the Loma Prieta earthquake to the low bidder Ernie Lowe and Sons. The total contract price is $35,521.06, and the contractor has been certified by Human Rights Commission as an MBE/LBE firm.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, and carried.

b) Commission was requested to accept as final all work on Pier 7, the recreation and public access pier, and authorize staff to make final payment to the contractor, Barnes Construction Company. The total contract amount is $6,550,797, and the contract was completed at only 4.0% above the base bid. Commissioner Halsted praised the efforts of all the agencies who were involved in the project, City Planning, Recreation and Park Department, Arts Commission, as well as ROMA, the design team and the contractor, Barnes Construction. She emphasized that it will take a continued effort, particularly by the maintenance department, to make this a successful project to be used and enjoyed for future years. Commissioner Halsted continued by saying "People will love it, only as long as it looks wonderful, and feels wonderful, so maintenance is the key to its continued success."

Dr. Coleman agreed that maintaining a clean, wholesome environment was essential to the pier's success and hoped that the maintenance of the pier would continue to be a priority.

c) Commission was asked to authorize staff to advertise for bids for Contract No. 2576 Phase I of the North Ferry Terminal 1/2 Upgrade Project. The project seeks to improve passenger service at the North Ferry Terminal area as a means of relieving traffic congestion to the East Bay.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman, carried.

Prior to the Commission withdrawing to executive session, President Herman called for matters under new business.

NEW BUSINESS

Mr. Harold Treskunoff addressed the Commission in the matter of the reorganization, and inquired if legal papers had been served on the Executive Director regarding the layoffs recently announced by Mr. Huerta. These were filed in Superior Court on behalf of the Building & Construction Trades Council and challenges non-communication on the part of the Port prior to the announcement, calling it a fait accompli.

Serving the papers on the Port, Mr. Treskunoff said, requires that any action implementing the reorganization plan must stop until a decision has been reached in this matter. A further question was asked regarding the appropriateness of a roll call vote when this matter is acted upon by the Commission at the June 12 meeting. President Herman indicated that this is a decision to be made by the Commission itself at that time.

8. LEGAL

At 4:59 p.m., the Commission withdrew to executive session to discuss a proposed settlement in the matter of CCSF v. National Car Rental, Superior Court No. 931-0556, a matter of pending litigation. The executive session was authorized specifically under California Government Code Section 54956.9, subdivision (a).

At the conclusion of the executive session, the Deputy City Attorney announced that a settlement was agreed to in the amount of $20,000. The Commission reconvened in regular session to adjourn formally in the memory of Barney Gould, a longtime friend of the Port whose interest and steadfast presence over the years will not be forgotten. The meeting closed in his honor at 5:40 p.m.

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CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

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June 12, 1991 Commission Meeting

MINUTES

The Port Commission convened in regular session at 4:10 p.m. in the Commission Room, Suite 3100 of the Ferry Building. President Herman was attending an I.L.W.U. convention in Seattle, Washington and in his absence, Vice President Bouskos chaired the meeting.

1. ROLL CALL

PRESENT: James M. Bouskos, Vice President
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner
Anne Halsted, Commissioner

ABSENT: James R. Herman, President

2. APPROVAL OF MINUTES

The minutes of the meeting of May 22, 1991 were approved by motion of Commission Arthur Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta stated that negotiations between the unions and management are still in progress on the issues of the proposed layoff of Port personnel, and asked to continue Items 3a) and 4b) until the meeting of June 26, 1991 since these are companion items which need to be acted upon jointly..

A member of the public, Mr. Harold Truskunoff, requested to speak to Item 3a) even though it was postponed until the next meeting. He thanked the Commission for the postponement of Item 3a) in the absence of the president, suggesting that consideration by the full board could ensure a better outcome for the workers of the Port, particularly in view of President Herman's lifetime commitment to labor.

Vice President Bouskos thanked Mr. Truskunoff for his comment, although he wasn't certain that was the reason for the postponement.

4. FINANCE & ADMINISTRATION

Status of Accounts Receivable for the period ending May 31, 1991 was submitted for Commission review, and accepted by the Commission with a brief discussion re the status of the Flying Dutchman Parking Company, who are in default of a judgment. City Attorney is in the process of determining further action.

Mr. Kutnick presented an updated document relating to the matter of selection of an underwriter firm for refunding of Port Revenue Bonds. Fifteen proposals were received, and after thorough evaluation by a qualified panel of members representing City departments handling financing, the following four firms were selected: Smith Barney, senior manager for refinancing of Series C, WR Lazard, Laidlaw & Meade, co-manager. Artemis Capital Group, senior manager, WR Lazard, Laidlaw & Meade, co-manager, for refinancing of Series A or A & B.

The firm of Grigsby, Brandford, Powell Inc. which was originally selected as co-manager for refinancing of Series A or A & B amicably withdrew from the competition, stating that the firm did not consider the co-manager role of sufficient consequence to be a judicious investment of its time. However, staff is happy with the panel's final selection and requests the approval of the recommended underwriting firms by the Commission.

Mr. Charles Belle, of Prudential Securities Inc., requested that the Commission postpone action in this matter, in order to reconsider his firm for the senior manager position for refinancing of Series C. He based this request on his firm's prestigious position in financing and singular knowledge and expertise in this type of transaction which would give the Port a tremendous advantage in this endeavor. Mr. Belle also asked that the Commission defer the matter until the full board is present to vote.

Discussion followed regarding the ranking process and Prudential's decision not to utilize the HRC preference. Commissioner Halsted commented about her own experience as a panelist recently, saying that it is an arduous, painstaking process. It was her opinion that in this instance the system had not faltered. Mr. Kutnick opined that every effort was made on staff's part to ensure the process was a fair, and equitable one. Vice President Bouskos inquired if there had been any indication from President Herman to postpone this matter until his return. Having received none, the Commission took the following action.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, and carried.

5. PROPERTY & MAINTENANCE

a) Commission postponed consideration of two leases, L-11630, and L-11641 pending further negotiations, and approved Lease L-11642 for space on Pier 26 to F. Rogers Insulation, for storage and support operation.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, and carried.

6. MARITIME

A) The Commission approved a five-year Marine Terminal agreement with South Pacific Interline Ltd., a Bahamian corporation, at the North Container Terminal. This line will operate between the West Coast and the South Pacific, calling Papeete, Tahiti, Pago Pago, New Caledonia and Papua. Estimated revenue to the Port under this agreement is approximately $413,000 from wharfage and dockage during the five years of this agreement.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

7. PLANNING & ENGINEERING

a) The Commission authorized the director to make final payment and accept the work under Contract No. 2567, a contract for repair of pavement damaged in the 1989 earthquake.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

b) The Commission authorized final payment and acceptance of work under Contract No. 2569, a contract for pavement reconstruction at Pier 96.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

c) The Commission reviewed a request to authorize staff to initiate the summary vacation of Gale Street, from King Street to Townsend Street, in order to allow the San Francisco Redevelopment Agency to execute a sublease to Bridge Housing Corporation for construction of affordable housing. A brief discussion followed, and the Commission took the following action.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Coleman, carried.

Under public comment, Mr. Dehnert C. Queen, Small Business Development Corporation, presented the Commission with a letter serving notice to certain named public officials to "abdicate office and/or withdraw candidacy" or suffer the consequence of a Grand Jury investigation, or recall. He cited the recent move by the Board of Supervisors to approve the issuance of revenue bonds by the Redevelopment Agency for the purpose of constructing residential housing in the Rincon Point/South Beach area.

The Vice President acknowledged receipt of Mr. Queen's letter.

7d) The Commission was requested to authorize the Executive Director to execute a Development Memorandum with Scandinavia Center Inc. setting forth the obligations of the Developer and the Port in refinement of the Developer's proposal for the "Scandinavia Center" and in seeking regulatory approvals for the proposed Project. Ms Lung, the Port's Project Development manager detailed the purpose of the Memorandum for the Commission and stated that during the term of the Memorandum, Port staff and the Developer will negotiate an Option to Lease and Lease for the site which will be presented to the Commission for approval. The Principles of Option and Lease which include financial and other terms are intended to form the basis for negotiation of the Lease. Staff further detailed obligations of both the Port and the Developer in obtaining certification from the Planning Commission of an EIR, approval of Conditional Use application, and all other necessary approvals from the City Planning Commission.

Key factors of the Development Memorandum are summarized as follows:

1. The proposed financial terms for the Project provide the Port with protection on the "downside" and participation in the "upside".

2. Construction of the cruise terminal will be of substantial benefit to the Port. The Developer will construct the terminal and transfer it to the Port at no cost to the Port.

3. Structural repair and strengthening work required for Pier 30-32 will be borne by the Developer.

4. The economic benefits to the City in property taxes, transient occupancy taxes, sales taxes, business fee taxes etc., are estimated by the Developer to be over $7.5 million in 1997.

Chairman Bouskos asked for comment from the Commission, and Commissioner Halsted inquired if plans for renovating Pier 35 are going forward in the interim, and staff indicated that this is the case.

Commissioner Coleman asked about the status of Red's Java House in conjunction with the proposed Scandinavia Center project, and staff reiterated that the Development Memorandum specifies that it is the Developer's responsibility to work out arrangements with Red's Java House that is satisfactory to them. The Port may, if it chooses, offer an alternate site with control of the Port, if the Commission deems it appropriate.

Discussion followed on the subject of the McInerny proceedings, or the Destroyed Records Act, a special statute enacted by the legislature where quoting the Deputy City Attorney, "in essence you sue the world to establish your right to a piece of property."

Further discussion followed pertaining to the principals involved in the Scandinavia Center Inc., as well as the disadvantaged business enterprises program, characterized as a race-neutral program in which the developer has elected to participate. Commissioner Coleman asked Mr. Erik Norgaard, one of the principals, to corroborate that it is the developer's own proposal to achieve a 30% goal. At the conclusion of this discussion, Vice President Bouskos called for Commission action.

Under public comment, Mr. Dehnert Queen inquired about the inclusion of the World Center as part of the Scandinavia Center Cruise Terminal proposal. Mr. Queen alleged unfairness and plagiarism insofar as the proposed World Center entity, stating that originally this was his concept.

At the conclusion of Mr. Queen's statement, the Commission took the following action:

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

8. LEGAL

The matter scheduled for discussion in executive session was postponed pending further negotiation.

9. NEW BUSINESS

Mr. Queen reminded the Port Commission that time for public comment on the Seaport EIS has expired, and opined the Commission and the staff were negligent by not submitting documents clarifying San Francisco's position.

There being no further business, the meeting adjourned at 5:40 p.m.

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CITY AND COUNTY OF SAN FRANCISCO
SUITE 3100, FERRY BUILDING

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MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:00 p.m. Wednesday, July 10, 1991. In President Herman's absence, Vice President Bouskos chaired the meeting.

1. ROLL CALL

PRESENT:	Vice President, James M. Bouskos Dr. Arthur Coleman, Commissioner Douglas F. Wong, Commissioner Anne Halsted, Commissioner
ABSENT:	James R. Herman, President

2. APPROVAL OF MINUTES

The minutes of June 26, 1991 were approved on the motion of Commissioner Halsted, seconded by Commissioner Wong, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Jack Conrad asked the Commission for continuance of item 3a) because negotiations between the unions and management are still in progress and also the absence of Commissioner Herman and Mr. Huerta, who was attending an emergency meeting in Oakland on dredging.

Next, Mr. Roger Peters gave a briefing on the newspaper article that appeared in the Chronicle today regarding dredging. Mr. Rogers stated that although we are in the deep water of the Bay, we still need dredging to provide access to our ocean terminals. Preliminary assessment of no dredging would greatly impact cargo operations, container terminals, cruise terminal and ship repair industry. This could be an economic disaster if Port cannot conduct dredging operations this fall and may cause approximately $9,000,000 loss of revenue. Port staff is trying to work on strategies on how to deal with the problem.

Lastly, Mr. Conrad told the Commission that the Port had invited Coastal Resources Center to give a presentation on the proposed recycling program for Fisherman's Wharf. Coastal Resources Center is currently conducting a pilot marine debris recycling program at Pillar Point Harbor in Northern California. CRC is a statewide, nonprofit organization using this program to create a model for other harbors and marinas and to evaluate the cost-effectiveness of recycling. The Port of

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PORT OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO
SUITE 3100, FERRY BUILDING

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MINUTES

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1. ROLL CALL

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ABSENT:	James R. Herman, President

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San Francisco and the San Francisco Fisherman's Wharf community expressed interest and the need of a recycling program to be implemented at Fisherman's Wharf. Consequently, CRC, with the Port of San Francisco's support, has taken responsibility for coordinating, seeking funding, and implementing a comprehensive marine debris recycling program at Fisherman's Wharf.

Ms. Stephanie Thornton, Executive Director of CRC gave a brief background on the recycling program conducted at Pillar Pt. Harbor. Ms Thornton indicated that as a result of that program in which about 20% of waste was diverted to recycling, many California ports have expressed interest in it. She felt that perhaps a much higher percentage could be achieved eventually. CRC and the Port of San Francisco have initiated a process to establish a similar program at Fisherman's Wharf and are in the process of completing a funding proposal targeted to private foundations in the Bay Area to receive funding to implement this 2-year recycling and educational program.

Ms Thornton then asked Ms. Martha Kaufmann, Project Manager, to summarize objectives of the proposal, which was prepared by CRC with the support of Port staff, that would be accomplished at the Wharf, as follows:

1) Establish a recycling program that recycles the maximum variety and amounts of materials.

2) Develop a comprehensive outreach campaign targeted to tenants, Port users and visitors to Fisherman's Wharf area.

3) Establish a steering committee to help generate community support.

4) Investigate and implement the potential handling and/or recycling of hazardous materials, such as waste oil or paints and solvents.

5) Facilitate collaboration between the recycling industry and the Fisherman's Wharf recycling program.

6) Establish a promotional program to promote the results and benefits of marine debris recycling.

7) Develop a strategy to establish the recycling program on an ongoing, permanent basis.

8) Work with Port of San Francisco staff and other appropriate individuals to design/incorporate recycling systems for new or renovation Port projects.

4. FINANCE AND ADMINISTRATION:

a) Ben Kutnick requested Commission approval for a non-Civil Service appointment and a temporary Civil Service separation in June, 1991.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

5. PROPERTY AND MAINTENANCE:

a) Consent Calendar of Leases:

Mr. Conrad presented for Commission approval L-11644, a 1-year lease for Harbor Bay Maritime, Pier 26 to be used as berthing of ferry vessel; support container and parking; and L-11645, a 3-year lease for Public Affairs Management, a consulting office at Agriculture Bldg.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

7. PLANNING & ENGINEERING:

a) Mr. Cliff Jarrard presented for Commission approval a contract modification processing procedure for contracts where the dollar amount exceeds $50,000. Staff recommends that when conditions permit, formal Commission approval will be obtained before executing a modification for more than $50,000. However, when conditions do not permit the receipt of formal Commission, the Executive Director will obtain approval from the Commission president of the proposal and the modification will continue to be processed. The Commission will be informed at the earliest practical time, but modification work and processing will not be delayed.

Mr. Jarrard also explained to the Commission that he did not envision these situations would happen very often. After some discussion the Commission requested that Mr. Jarrard add the following amendments to the above as underlined below:

When conditions do not permit the receipt of formal Commission approval 'because a time delay would create an adverse economic impact on the Port,' the Executive Director will obtain approval from the Commission president, 'or if the Commission president is unavailable the vice president' of the proposal and the modification will continue to be processed.

With the above revisions, the Commission then took the following action:

ACTION: Moved by Commissioner Colman, seconded by Commissioner Halsted, carried.

b) Peg Divine from the CAO's office gave a briefing on the waterfront transportation project-promenade arts project. Ms. Divine mentioned that Port staff and staff from other city agencies have worked together with the Art Commission to see that design criteria, schedules and budgets of the art projects are integrated with the architectural, engineering and maintenance aspects of the projects.

Ms. Divine asked Jill Mansion to briefly give the status of four projects approved to date. Ms. Mansion said that they have:
Selected artists for the promenade project that will span the waterfront.

Selected a team for the historical and interpretative signage project that will also span the waterfront.

Identified 3 finalists for the second and King Street gateway project.

Currently in the process of announcing the competition for the Muni-Metro turn-around project 8.

Commissioner Halsted and Commissioner Bouskos commended the Art Commission on an excellent job on choosing concepts and artists for these projects.

8. LEGAL: Postponed

9. NEW BUSINESS:

Commissioner Halsted brought up the 6 point plan that Board of Supervisor Gonzales introduced for the survival of the ship repair industry and that he would be asking the Board of Supervisors to propose a number of specific directions the Port should take to tap a large potential market in ship repair. Commissioner Halsted recommended that Port staff prepare a plan from a policy viewpoint on the positions it should take now and in the future. Also that Port staff should get the subject on the table soonest.

Commissioner Bouskos next brought up Mission Rock and requested that Port staff work on a public bid soonest and that in the next meeting a date for an RFP specified in the not too far future.

There being no further business, the meeting was adjourned at 4:40 p.m.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING

July 24, 1991 Commission Meeting

MINUTES

The Port Commission convened in regular session at 4 o'clock p.m. in the Commission Room, Suite 3100 of the Ferry Building. President Herman was traveling and in his absence, Vice President Bouskos chaired the meeting.

1. ROLL CALL

PRESENT: James M. Bouskos, Vice President
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner
Anne Halsted, Commissioner

ABSENT: James R. Herman, President

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2. APPROVAL OF MINUTES

The minutes of the meeting of July 10, 1991 were approved by motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Discussion of Item 3a) Port's Reorganization was deferred until the meeting of August 14. Mr. Huerta reported on recent developments in the dredging issue confronting the Port. He indicated that although the Port does not have a channel deepening problem, we do maintenance dredging of the berths of various Port facilities. A recent finding declaring the chinook salmon "threatened" and thus subject to certain provisions of the Endangered Species Act makes it difficult for the Corps of Engineers to renew the Port's five year permit for maintenance dredging. It is crucial that the Port is issued a permit and discussions have begun with the National Marine Fisheries Service to determine the best method for obtaining one to enable us to resume dredging and ensure unimpeded ship access.

Mr. Huerta briefly reported on the first two meetings of the Waterfront Land Use Advisory Board, commenting that the diverse makeup of the board will allow for a balanced perspective and viewpoint. The next meeting of the board is August 6, 1991 and Mr. Huerta invited the Commissioners to attend.

In other areas, Mr. Huerta informed the Commission that a lawsuit brought by the San Francisco International Yachting Center against the Port has been dismissed. This lawsuit alleged that the Port Commission entered into two lease agreements involving City piers, and thereafter refused to honor the agreements by failing to present them to the Board of Supervisors for approval.

4. FINANCE & ADMINISTRATION

Mr. Ben Kutnick, Fiscal Officer, presented one financial report, the Status of Accounts Receivable for the period ending June 30, 1991 for Commission review, and a brief discussion followed regarding Elmo Argentine Line.

5. PROPERTY & MAINTENANCE

Mr. Conrad presented the consent calendar of leases for Commission review, and gave a brief explanation of each lease.

ACTION: Resolution No. 91-67 was approved by motion by Commissioner Halsted, seconded by Commissioner Coleman, and carried.

The Commission next reviewed an amendment to the Option to Lease agreement with the San Francisco Redevelopment Agency covering certain Port properties. In order to accommodate the right-of-way process for the Waterfront Transportation Project, the Agency and the Port have agreed to exclude the WTP area from the optioned area. The Commission was requested to adopt the resolution approving the amendment and to direct staff to forward same to the Board of Supervisors pursuant to City Charter Section 7.402-1.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

Mr. Conrad next presented the Commission with a request by Chez Laura Enterprises, Inc., an assignee under a lease between the Port and the Sport Fishing Center, Inc. to certify the status of the lease. Chez Laura is seeking a loan from TOPA Thrift and Loan Association (Lender) and the lender has asked the Port to enter into an agreement consenting to the encumbrance of the leasehold with a deed of trust, and if the tenant (Chez Laura) were to become bankrupt, agree to enter into a new lease with the lender, under the same terms and conditions as the original lease.

Commissioner Wong expressed his reluctance to accede to the lender's request, saying that should the tenant become bankrupt, the Port would be prevented from bettering the terms of the lease. He suggested that Deputy City Attorney Pizza who handled the negotiations endeavor to obtain more equitable terms from the lender. It was explained that staff's efforts were towards assisting the tenant in obtaining the loan, and that these were the conditions set down by TOPA Thrift.

Further discussion followed, and it was observed that in more and more cases, extraordinary staff time is being expended to facilitate lenders' administrative requests. The Executive Director asked for policy direction from the Commission regarding levying fees in these circumstances.

Commissioner Halsted remarked she was under the impression that the Commission had already directed staff to charge for any extraordinary administrative costs incurred, and if not than a formal policy should be adopted which would direct staff to do so. This will be brought back to the Commission to formalize.

The Commission consented to a lease encumbrance between the Port and TOPA Thrift & Loan Association by passage of Resolution No. 91-69.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

The Commission next considered a five year with John Ciddio and Rudolph Menzel to operate a small boat storage and repair facility at Pier 66. Mr. Ciddio has been in operation under a month-to-month license for approximately 7 years and would like to expand and attract new business. The security of a lease would encourage his investment to improve the property.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

6. MARITIME

Staff presented a contract for personal services to the Commission for review and approval. This is a contract with Trade Reps Ltd., an independent contractor based in Chicago, to provide sales and marketing for the Port of San Francisco in the Midewest. This contractor has represented the Port for the past three years and has provided a high level of service to us.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

Acting President Bouskos asked if there was any further business. There being none, there was a motion to adjourn by Commissioner Coleman, which was seconded, and carried. The meeting adjourned at 4:50 p.m.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

Wednesday, August 14, 1991 Commission Meeting

MINUTES

The regular meeting of the San Francisco Port Commission was called to order at 4:10 p.m. by President James Herman in the Commission Room, Suite 3100 of the Ferry Building. All Commissioners were present with the exception of Commissioner Bouskos who was excused.

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1. ROLL CALL

PRESENT: James R. Herman, President
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner
Anne Halsted, Commissioner

ABSENT: James M. Bouskos, Vice President

2. APPROVAL OF MINUTES

The minutes of the meeting of July 24, 1991 were approved with no changes by motion of Commissioner Coleman, seconded by Commissioner Halsted, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

At Mr. Huerta's request, the Commission deferred consideration of the Port's Reorganization until the next meeting on August 28, 1991. The executive session originally scheduled for discussion of pending litigation matters was postponed at the request of the City Attorney. Mr. Huerta reported cautious optimism regarding dredging matters and cited pending legislation as a positive sign. He reported that he and President Herman attended a meeting that morning with leaders representing labor, community, business, political and ports in which this and other matters were discussed in a broad perspective, and hoped to report more positive movement in the near future.

4. FINANCE & ADMINISTRATION

Mr. Ben Kutnick, Fiscal Officer, presented one financial report, Refunds and Allowances in the amount of $115,886 for the period ending June 30, 1991 for approval by the Commission.

ACTION: Approval moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

The Finance Committee of the Board of Supervisors approved the Port's 1991/92 budget at its meeting of June 26. After negotiations with the Budget Analyst office, Port staff agreed to reductions of $151,234 which result in the Port projecting an estimated surplus of $2,870,706.

Dr. Coleman questioned whether it served any real purpose for the Board to review the Port's budget, and accepted that under the Burton Act and Transfer Agreement, the Board is so enpowered.

This item was presented for information purposes and no action was required.

5. PROPERTY & MAINTENANCE

The Commission was asked to defer consideration of a proposed lease with Pacific Gas & Electric pending further negotiation, and approve a lease with Jenken Freight Services, for office space in the World Trade Center.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

6. MARITIME

7. PLANNING & ENGINEERING

a) Mr. Jarrard, Chief Harbor Engineer, presented a request to the Commission for authorization to award a contract for Pier 1/2 for upgrading the North Ferry Terminal. This work is for Phase I and includes installation of a new barge, trestle, gangway, signs, lighting and benches on the north portion of Pier 1/2. Five bids were received and Healy Tibbetts Builders, Inc. was the lowest responsive bidder with a bid amount of $1,400,000. Funding sources are the Federal Highway Administration, California Transportation District, Metropolitan Transportation Commission, and San Francisco County Transportation Authority.

Commissioner Halsted asked that a commemorative plaque be placed at this project to honor the work of Doris Kahn, a staunch and tireless advocate of waterfront issues, who died recently. President Herman asked staff to initiate the appropriate action.

ACTION: The Commission approved Resolution No. 91-73 by motion of Commissioner Halsted, seconded by Commissioner Coleman, carried.

b) Ms. Anne Cook, Planning Staff Assistant, presented a request to the Commission to authorize advertising for bids for demolition in Sheds A, B, C, at Pier 45. This work is estimated to cost approximately $520,000 and represents Phase I of the four phase Pier 45 Earthquake Repair Project. Restoration of the damaged Pier (four phases) will cost approximately $13.4 million and will allow the Port to restore the previous uses on Pier 45. Overall funding is from a number of sources; FEMA, California Business, Transportation & Housing Agency Tax Fund, Commerce Dept. Economic Disaster Relief Program. Bid documents are being prepared to advertise for the first phase of this project - Demolition Contract No. 2579.

President Herman asked for public comment, and the following persons spoke in support of the project and urged the Commission to go forward with Phase I.

Mr. Fritz Arko, General Manager, Pier 39, Inc.
Mr. Alexandro Baccari, President, Fisherman's Wharf Association.
Mr. Patrick Flanagan, President, Standard Fisheries.
Mr. Michael Galletti, Festa Italiana, Port Tenants Association.
Mr. Pat Davis, North End Fish Company.
Mr. Lee Vu, Sea Win Company.

At the conclusion of public testimony, President Herman asked for the Commission's decision.

ACTION: It was moved, seconded, carried to approve Resolution No. 91-74 authorizing staff to advertise for bids for Demolition Contract No. 2579.

This concluded the agenda for the day's meeting, and the Commission meeting was adjourned at 4:55 p.m. by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

Wednesday, August 28, 1991 Commission Meeting

MINUTES

The regular meeting of the San Francisco Port Commission was called to order at 4 o'clock p.m. by Vice President James Bouskos in the Commission Room, Suite 3100 of the Ferry Building. President Herman was not available and Commissioner Bouskos chaired in his absence.

1. ROLL CALL

PRESENT:	James M. Bouskos, Vice President
	Dr. Arthur Coleman, Commissioner
	Douglas F. Wong, Commissioner
	Anne Halsted, Commissioner
ABSENT:	James R. Herman, President

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2. APPROVAL OF MINUTES

The minutes of the meeting of August 14, 1991 were approved without amendment by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta who was testifying before the Finance Committee of the Board of Supervisors on the issue of the Port's support of the ship repair industry, asked Roger Peters, Maritime director, to present a resolution with staff recommendation in support of proposed federal legislation on California Fish and Wildlife protection. The proposed legislation (S.B. 484-Bradley and H.R. 1306-Miller) would re-authorize the federal Central Valley Project Act to add fish, wildlife and water quality protection to the list of Project purposes (irrigation, flood control, hydro-electric generation) as specified by Congress when the Central Valley projects construction was initially authorized.

ACTION: It was moved by Commissioner Halsted, seconded by Commissioner Coleman, to approve Resolution No. 91-77 in support of the proposed legislation.

Mr. Peters asked that the Commission defer Item 3a) the Port's Reorganization program until a special meeting later in September. Acting President Bouskos with the Commission's concurrence agreed and Friday, September 20, at 3 p.m. was set as a date certain.

The Commission also deferred the matter of an amendment to the Sea Win Fish Company lease pending receipt of all necessary documentation, and the tenant's rent is current.

4. FINANCE & ADMINISTRATION

Mr. Kutnick presented two financial reports to the Commission. The first was the accounts receivable report for the period ending July 31, 1991. Commissioner Bouskos questioned why there was still an outstanding debt by California Cafe to the Port , when the parking lot was being operated. The Port receives 20% of the sales, and the balance goes to California Cafe from the parking lot operator. Since this report, CalTrans has taken possession of the lot and it is no longer in operation. Discussion followed regarding the Flying Dutchman arrearage, and it was suggested that staff step up payment arrangements.

The second report, Refunds and Allowances for the period ending July 31, 1991, was presented for review and approval.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

5. PROPERTY & MAINTENANCE

Mr. Conrad presented the June sales and rent report, and a brief discussion followed regarding the difficulties being faced by various tenants whose restaurants were impacted both by the earthquake and the subsequent removal of the freeway. Commissioner Coleman inquired if these tenants were given any rent relief because of the hardship. In some instances, a deferral was allowed, and a schedule for late rent payment initiated but no forgiveness was given to any tenant.

6. MARITIME

Staff presented a resolution to the Commission for consideration and approval. Passage of this resolution would constitute a finding on the part of the Commission that rail service north of China Basin Channel is no longer needed by the Port. Further the resolution would authorize staff to undertake or permit projects which would result in the removal of the Belt Line track. It would also specifically authorize the Executive Director to allow the Department of Public Works to remove the Belt Line tracks from the Third Street Bridge.

Mr. Peters, Maritime director, explained that staff considered such action appropriate since the Commission has approved several Northern and Central waterfront projects affecting the Belt Line. These projects include the waterfront transportation projects, the Delancey Street Street and Bridge Housing developments which will all have a significant impact on the Belt Railroad.

Commissioner Halsted expressed several concerns about the proposed action including whether or not the Transfer Agreement requires the Port to retain Belt Line service; whether removal of the track would impinge on the Port's right-of-way; and whether the Port's ability to compete for increased cargo vessels would be hampered.

Deputy City Attorney Pizza assured the Commission there was no requirement in the Transfer Agreement, and further assured that since the underlying property belongs to the Port, there would be no adverse impact by the abandonment. Mr. Peters indicated that cargo movement can be handled at the Port's other terminal facilities.

President Bouskos asked for public comment regarding the abandonment of the Belt Railroad service north of China Basin. Since there was no one who wished to speak on this matter, the president asked for a vote from the Commission.

ACTION: It was moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

7. PLANNING & ENGINEERING

8. LEGAL

It was announced that the Commission would withdraw into sexecutive session for purposes of discussing pending litigation. At 4:55 p.m., President Bouskos therefor asked the public to clear the room.

At the conclusion of the executive session, in which no action was taken by the Commission, the meeting was reconvened by the President. Mr. Huerta presented his report to the Commission on his testimony before the Board of Supervisors that afternoon in the matter of the Port's seven point plan for assisting the ship repair industry in San Francisco. Following his report, the Commission had a brief discussion regarding this plan, and the strategy to take to successfully accomplish it.

The Commission adjourned at 5:35 p.m. by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

Wednesday, September 11, 1991 Commission Meeting

MINUTES

The regular meeting of the San Francisco Port Commission was called to order at 4 o'clock p.m. by Vice President James Bouskos in the Commission Room, Suite 3100 of the Ferry Building. President Herman was absent due to ILWU business and Vice President Bouskos chaired the meeting in his place.

1. ROLL CALL

PRESENT: James M. Bouskos, Vice President
Dr. Arthur Coleman, Commissioner
Douglas F. Wong, Commissioner
Anne Halsted, Commissioner

ABSENT: James R. Herman, President

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2. APPROVAL OF MINUTES

The minutes of the meeting of August 28, 1991 were approved without amendment by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta reported to the Commission on dredging matters, and informed them that the Port of Oakland has received some accommodation with the federal agencies regarding a project for the reconstruction and redevelopment of a new container facility called Carnation located in the Oakland outer harbor. Mr. Huerta indicated however that although there is some movement toward resolution , he has not yet received a definitive answer on San Francisco's permitting.

4. FINANCE & ADMINISTRATION

5. PROPERTY & MAINTENANCE

Mr. Conrad submitted a consent calendar of four leases for property in the World Trade Center, and at Pier 28 for Commission's review and approval. After a brief discussion of the terms of the leases, the Commission took the following action.

ACTION: Approval of Resolution No. 91-78 was moved by Commissioner Coleman, seconded by Commissioner Wong, and carried.

6. MARITIME

7. PLANNING

8. LEGAL

9. PUBLIC COMMENT

Mr. John Leonard, Port employee, addressed the Commission and asked what efforts the Port is making in support of the ship repair industry, in light of recent media reports decrying the diminishment of a once vital industry.

President Bouskos cited the Port's seven point plan which was submitted to the Finance Committee in response to Supervisor Gonzalez.

Mr. Leonard also inquired about the Port's efforts to keep alive rail service to San Francisco in light of Southern Pacific's abandonment of the local rail lines. Mr. Huerta replied that the Port is served by SP's main line, whereas it was the spur line which was abandoned. Southern Pacific continues to provide service to the Port via the main line to our facilities. Mr. Huerta further reported that he is in communication with SP about improving and expanding this service.

Commissioner Halsted expressed her concern about removing the tracks to the Belt Line Rail Line prematurely. She asked staff to draft a resolution for the next meeting reflecting this concern and stating that these tracks should not be removed before there is a definite plan for replacement. In other matters, Commissioner Halsted announced that the "Friends of the Port" organization is reforming, and presented a list of persons who are interested in participating. One of the first activities will be to celebrate the re-opening of the Embarcadero and will be held early next spring. Friends of the Port will sponsor activities to benefit the public and encourage it to come to the waterfront.

President Bouskos commended Commissioner Halsted on her efforts in reactivating this group.

There was a brief discussion regarding the progress of the rail tunnel project. Mr. Huerta indicated that legislation is currently before the Board of Supervisors on the project. He indicated that both Evergreen and COSCO are eager to see this project get underway.

The Commission adjourned at 4:18 p.m. by motion of Commissioner Coleman, seconded by Commissioner Wong, and carried.

SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

Wednesday, October 9, 1991 Commission Meeting

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MINUTES

The regular meeting of the San Francisco Port Commission was called to order at 4:00 p.m. by President James Herman.

1. ROLL CALL

PRESENT: James R. Herman, President
James M. Bouskos, Vice President
Douglas F. Wong, Commissioner

ABSENT: Dr. Arthur Coleman, Commissioner
Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The Commission approved the minutes of the meeting of September 23, 1991 without amendment by motion of Commissioner Bouskos, seconded by Commissioner Wong, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

Responding to the Commission's request, Mr. Huerta reported on the status of waterfront transportation projects, including reconstruction of the Embarcadero, construction of the Muni Metro improvements, and associated public walkway to be developed along the Embarcadero. He informed the Commission of the CAO's selection of the Sasaki team as the urban design consultants for these projects, and will include AGS, Inc. as specialists for cost estimating, Cambridge Systematics for transportation, Helene Fried Associates for public art, Keilani Tom Design for graphic communications design and grapahic design of signage,and Levi Design Partners for architectural matters including streetscape structures. This contract is for the Sasaki team to review the drawings and specifications prepared by city agencies to ensure conformance with the urban design goals, guidelines and criteria for the waterfront transportation projects.

Mr. Huerta stated that the projects are staying very close to on-time schedule, although the south Embarcadero segment has slipped about two months behind due to a delay in selecting the urban design consultant, and is now scheduled to begin in May 1992. The first phase which will remove the railroad tracks will begin this fall. There will be a groundbreaking ceremony for this phase on October 28 at 10 o'clock which will be held at SWL 327in front of the Hill Bros. building. The Muni Metro Turnback Project is scheduled to begin in October 1992, and is for subway construction between Market and Drumm Street. The north Embarcadero segment includes roadway improvement, and historic streetcar line also begins in October 1992. The King Street segment, which is the final phase of the project, is scheduled to begin in 1993.

Four art projects are included: one for the Promenade, one involving historic signage, the Gateway art project, and the Muni Metro portal project. Mr. Huerta gave a brief outline of each , and noted that the Port Commission will have final approval after various approvals from the Visual Arts Committee of the Art Commission, and in one instance BCDC.

President Herman accepted the Director's report and moved the agenda to the next item. Mr. Huerta reported agreement was reached with Festa Italiana regarding the Port's promotional contribution to this annual event, and therefore no public discussion was necessary.

Mr. Huerta announced that at the next meeting he would report on the Port's fiscal year financial statement, and stated that preliminarily there is improvement on the Port's operating profit, but that the Port will show a net loss overall, due primarily to legal charges associated with the settlement of Continental Development litigation, as well as the large number of lawsuits brought against the Port in the last year.

ACTION: Motion was made by Commissioner Wong to accept the Director's report, seconded by Commissioner Bouskos, carried.

4. FINANCE & ADMINISTRATION

Mr. Kutnick, Port's Fiscal Officer, presented two financial reports to the Commission. The first, Accounts Receivable for the month ending August 31, and the second Refunds & Allowances for August 1991. The Commission took the following action.

ACTION: It was moved, seconded, carried to approve the financial reports.

5. FINANCE & ADMINISTRATION

a) Mr Conrad presented three leases under the consent calendar for Commission approval with a brief explanation of the terms of each lease.

ACTION: It was moved by Commissioner Wong, seconded by Commissioner Bouskos, carried.

6. MARITIME

7. PLANNING & ENGINEERING

a) The Commission accepted staff's recommendation and awarded a contract for Pier 45 earthquake repairs/demolition to the low bidder Evans Brothers Inc. for a total contract cost of $314,300. The contract is in conformance with the Human Rights Commission requirements.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

b) Mr. Wyman, Port planner, introduced Mr. Michael Fajans, of Metropolitan Transportation Commission and project manager for the Bay Area and Vallejo Ferry Study and Mr. Rod McMillan, senior transportation planner with MTC, who is the project planner overseeing development of the San Francisco Bay Area Ferry Plan. Mr. Fajans gave a brief presentation of the first phase of the study which is a two phase report to look both at improvements to existing services and to identify potential new routes around the Bay. The first phase makes a series of recommendations with respect to the Port of San Francisco which includes upgrades and improvements to the North Ferry Terminal (Pier 1/2). Specifically these include, a second barge and trestle; a terminal structure to include automated ticketing facilities, a protected waiting area, regional transportation information; seismic upgrade and strengthening of the Pier 1/2 deck. The study indicates these as critical to further expansion of ferry service on the Bay and further recommends they be included in a regional funding application to the California Transportation Commission.

President Herman thanked Mr. Fajans for his comprehensive presentation.

7.(c) The Commission considered a request to authorize the Executive Director to execute a standard reimbursement agreement for assignment of dredging permit R02591 with the State Lands Commission. This agreement provides that the Port would indemnify, defend and save harmless the State of California The Commission took the following action to approve this request.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

In response to Commissioner Halsted's request, Mr. Huerta updated the Commission on the status of earthquake repairs to the Ferry Building, as well as long-term planning issues associated with renovation and reconstruction of the Ferry Building. The Ferry Building is a national and state-registered historic landmark and determining the issues of renovation are complex. Repair work involves strengthening of the lower parapet walls on the north and south wing, repair and strenthening of the high parapet walls in the center of the building, and repairs to cornice work on the east and southside of the tower. Securing the columns in front of the building which were damaged in the earthquake and further loosened by demolition of the freeway will be necessary, as well as patching and sealing of all breaks and cracks and repointing of joints in the entire front face of the building. The total cost of this first package of Ferry Building improvements is $290,000 for design work, and $1.9 million to construct and would be covered by federal emergency disaster assistance. A second package for construction of shear walls on the south wing of the building to strengthen it would cost $60,000 in design work and $500,000 to construct. Not included in these costs would be cleaning and painting of the facade which has deteriorated over the years. One option for restoration of the sandstone would cost approximately $800,000.

Mr. Huerta spoke in detail of the history of the architectural design of the Ferry Building, and noted that one of the Commission's expressed objectives is to redevelop the Ferry Building and restore its status as a landmark building. Illustrating the original design and use of the building as a ferry terminal, the Commission viewed historic pictures depicting various stages of its development through the years. Of particular interest, was one taken in the 1950's showing a traffic circle in front which was primarily used as a bus turnaround. Continental Development's now defunct proposal for renovating the Ferry Building was an ambitious one which ran afoul of regulatory and environmental issues, and settlement in this matter has just recently been reached. One of the planning parameters for restoring the building will be re-establishment of the pedestrian and traffic flows that existed when it was an active ferry terminal. Preservation of some of the finer architectural features of the waterside of the building will be one of the parameters of the renovation. One of the salient points of its restoration will be to have it under the control of the Port rather than to turn it over to a private developer and that it be renovated as an important civic structure. There are many challenges entailed in the restoration of the Ferry Building which staff will be working on and reporting back to the Commission.

President Herman thanked the director for his presentation and informed the public that the Commission would withdraw to executive session for discussion of pending litigation.

The Commission reconvened in public session, and Deputy City Attorney Pizza stated that the Commission authorized settlement of all disputes in the matter of Cory Galleries, Inc. and A&M Enterprises in the amount of $185,000, and further that payment of this amount is in settlement for any and all past and current damages alleged by Cory/and or A&M as well as any or all future damages to be alleged by Cory and/or A&M. The Commission by resolution authorized staff to apply for a supplemental appropriation from the Board of Supervisors to fund this settlement.

The Commission meeting adjourned at 5:40 p.m. by motion of Commissioner Bouskos, seconded by Commissioner Wong, and carried.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

Wednesday, October 25, 1991 Commission Meeting

MINUTES

The regular meeting of the San Francisco Port Commission was called to order at 4:05 p.m. by President James Herman.

1. ROLL CALL

PRESENT: James R. Herman, President
James M. Bouskos, Vice President
Douglas F. Wong, Commissioner
Dr. Arthur Coleman, Commissioner

ABSENT: Anne Halsted, Commissioner

2. APPROVAL OF MINUTES

The minutes of the meeting for October 9, 1991 were corrected to reflect that Mr. Huerta asked the Commission to postpone any action on the Port's reorganization (Item 3(a) indefinitely, and this was agreed. With no further corrections or additions, the minutes were approved.

3. EXECUTIVE DIRECTOR'S REPORT

Mr. Huerta presented a proposal to the Commission asking that the Port join with local unions and firms in the ship repair industry in developing a shipyard training facility on Port property. Mr. Huerta spoke to the issue of the ship repair industry, and provided some background to this request. Following his report, the Commission took action to authorize staff to assist in the implementation of this proposal by negotiating a lease at nominal rent for a site at Pier 70 with a non-profit entity composed of various unions and firms which would develop, manage and maintain the facility.

ACTION: It was moved by Commissioner Bouskos to approve Resolution No. 91-93, seconded by Commissioner Coleman, carried.

Mr. Richard Harden, Bay Cities Metal Trades Council, and Mr. Brian Bish, representing ship repair owners, both expressed their appreciation to the Commission, and to staff for this action.

In other matters, Mr. Huerta informed the Commission that due largely to the efforts of staff person, Veronica Sanchez, the Port has obtained a dredging permit for maintenance dredging. Within 24 hours the Port embarked on this operation. Mr. Huerta credited Ms Sanchez' herculean work with achieving in record time what other ports have been working on for years.

The Commission led by President Herman joined with Mr. Huerta in recognizing her achievement. In turn, Ms Sanchez expressed her appreciation to the Commission for their support on this project, particularly with State Lands Commission.

Discussion followed with regard to the total cubic yardage needed by San Francisco on an annual basis to accommodate all of our facilities. With the exception of the ship repair facilities, it is about 500,000 cubic yards per year. This year the Port is authorized to dredge only 20 percent of its total requirement.

Dr. Coleman gave a brief report on the Waterfront Center Conference which he and Keri Lung attended in Washington, D.C. This was a two-day conference on planning, urban design, public policy and environmental issues relating to waterfronts around the world, and afforded great insight into these issues. The Port of San Francisco had the distinct honor of receiving an award for Pier 7 for excellence on the waterfront. Pier 7 was dedicated last year as our public access pier. This was an international award in which the Port competed with several European cities. Some of the challenges discussed at the conference were the diminishment in private/public funding, sensitivity to community acceptance, increased regulatory requirements, and realities of the recession.

President Herman thanked Dr. Coleman for his comprehensive report on the conference.

Mr. Huerta next asked for authority to work with the Handicap Appeals Board on the issue of obtaining an exemption for Harbor Bay. Mr. Huerta indicated this authorization would be for the purposes of facilitating the Harbor Bay permit only.

ACTION: Motion was passed that it is the policy of the Commission to authorize Port staff to handle the Harbor Bay permit issue before the Handicap Appeals Board by Commissioner Bouskos, seconded by Commissioner Wong, carried.

After discussion, the motion was amended to include authorizing handling of the ferry terminal at Pier 1/2, and Pier 39's Blue & Gold permit issues as well.

FINANCE & ADMINISTRATION

Mr. Kutnick presented the accounts receivable report for September, and discussion ensued regarding two restaurant tenants. Mr. Huerta affirmed that staff would be meeting with both tenants within the next week. President Herman asked the Director to report to the Commission on the outcome at the next Commission meeting.

The Commission was presented with the 1990/91 financial statements ending June 1991 which show a net loss of $3.5 mlllion. Operating revenues increased by $3.5 million as a result of Nedlloyd Service, and Operating expenses increased by $3.5 million, including $1.6 million as a result of reclassifications and increased legal costs, as well as increases in bad debt expense. Interest income declined by $500,000. An extraordinary expense reported this year was $3 million in settlement of the Continental Development ligation plus $265,000 less $150,000 insurance recovery.

The Commission was next requested to approve two temporary non-civil service appointments occurring in the month of September.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Coleman, carried.

PROPERTY & MAINTENANCE

Item 5(a) was deferred until the next meeting by request of the Executive Director.

Under Item 5(b) the sales and rent report for August 1991 was submitted for review. Overall restaurant sales in the Fisherman's Wharf area are up 7% for the month, and 5% for the year. An auditing error by Chez Laura resulted in an adjustment being made and this was reflected in the report. Parking is running 49% ahead of last year. In the non-restaurant category sales are running 13% ahead of last year.

MARITIME

Roger Peters asked the Commission to approve the fifth amendment to the terminal operating agreement with Fred F. Noonan Company increasing the service area at SWL 349 and providing for annual reporting procedures of sublease revenues.

Action: Moved by Commissioner Wong, seconded by Commissioner Bouskos, carried.

The Commission was next asked to approve an assignment of the operating agreement for the automobile terminal at Pier 70 from Fred F. Noonan Company to Wallenius Lines North America, Inc. The Noonan Company requested this assignment in September of this year. Wallenius one of the world's largest ro/ro carriers is expected to continue to provide superior service to the automobile industry.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

PLANNING & ENGINEERING

The Commission considered a request to approve an amendment to the San Francisco Building Code Sections 330.1-333.3 under which the fees therein established be applicable to the Port. Without discussion, the Commission took the following action.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

There being no further business, a motion for adjournment was made by Commissioner Bouskos, seconded, and carried. The meeting adjourned at 5:10 p.m.

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PORT OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO
SUITE 3100, FERRY BUILDING

MINUTES

The San Francisco Port Commission convened in regular session in the Commission Room in the Ferry Building at 4:05 p.m. Wednesday, November 13, 1991.

1. ROLL CALL

PRESENT: President, James R. Herman
James M. Bouskos, Vice President
Douglas F. Wong, Commissioner

ABSENT: Anne Halsted, Commissioner
Dr. Arthur Coleman, Commissioner

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2. APPROVAL OF MINUTES

The minutes of October 25, 1991 were approved on the motion of Commissioner Herman, seconded by Commissioner Bouskos, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

In view of the length of today's calendar, Mr. Huerta confined his report to the status of the Mission Bay project. He reported that staff has been working to finalize the actual documents dealing with the Mission Bay agreement and anticipate presentation to the Commission on December 11. Mr. Huerta next reported that today three Port employees were honored by the Mayor's Fiscal Advisory Committee in their Annual Public Managerial Excellence Awards. Two Port employees were honored for having been nominated - Veronica Sanchez, Director of Government and Public Affairs, and Keri Lung, Manager, Planning & Development. Roger Peters, Acting Director, Maritime Affairs was awarded one of the Excellence Awards. A brief video summarizing the Awards presentation followed.

Commissioner Herman commented on a well done show and a well deserved tribute to Roger, Veronica and Keri and complimented all three on behalf of the Commission.

4. FINANCE & ADMNINISTRATION

4a) Mr. Kutnick presented several financial reports for information only. Statement of Revenues and Expenditures for last fiscal year ended June 30, 1991 showed revenues to be 3% over budget.

4b) Mr. Kutnick requested Commission approval of a Supplemental Appropriation in the amount of $860,720, which in addition to $255,777 in the current budget, will fund the migration of the Port's data processing systems. This will allow the Port to modernize its obsolete computer system; will enable interaction with other City departments, particularly the Controller's office, and is essential to the efficient operation of the Port. The computer migration includes the purchase of a DEC mini-computer system, Oracle relational data base management system (RDBMS) and the conversion of all financial and management systems that currently reside on the Microdata mini-computer. Mr. Kutnick also added that there are enough funds to cover the project in the current year ending June 1992. The Port has received a "Sole Source Waiver" from the Human Rights Commission to contract with Oracle for consulting services to assist Port staff with the systems conversion.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

4c) The Commission was next requested to approve two non-civil service appointments during the month of October.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

At this point Mr. Huerta mentioned that Steve Amano, Port Personnel Manager for a number of years and who has done an excellent job, has accepted a position as Deputy Director, Civil Service of Alameda County. Commissioner Herman on behalf of the Commission expressed his appreciation for a job well done.

5. PROPERTY AND MAINTENANCE

5a) Mr. Jack Conrad requested approval of Lease No. 11667 at Pier 36, Delancey Street Foundation, for 6 months for interim lease while they seek a permanent storage site; Lease No. 11669 at Pier 28, North End Fish Co., for 5 years for fish handling and Lease No. 11668 at 275 WTC, Dr. Ronald Roberts PHD, for 1 year. Lease No. L-11666 was deleted.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Bouskos, carried.

5b) Next Mr.Conrad requested approval of an amendment and assignment of Akinai lease to JFC International, plus an approval of a sublease of a portion of the premises to Tadanori Chiyo. Akinai Corp. entered into a 10-year lease with the Port in 1987 for the use of real property at Seawall Lot 345 for the import, export, processing and wholesale sales of fish. In February 1991 the principals of Akinai Corp. dissolved their business relationship and divided the corporation's assets

among themselves. The rights in the lease were assigned to Tadanori Chiyo. Mr. Chiyo desires to assign the lease to JFC International who will also clear up Akinai arrearages due the Port. In order to effect such transfer the lease must be modified to provide for assignment and subletting with the Commission's consent, to modify the percentage rent provisions to a level more commensurate with the uses permitted under the lease, and to make certain changes and additions to reflect current City ordinances and Port policies. Staff has reviewed JFC's financials and their operations and find JFC to be well qualified to assume the responsibilities of the lease. The City Attorney has reviewed and approved the form of the assignment/amendment and sublease document.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

Mr. Conrad requested that item 5c be held for continuation at a later date.

5d) Mr. Paul Osmundson presented for Commission approval a resolution authorizing Port staff to prepare a Request for Proposals for an interim lease of Pier 35 for marketing, managing and operating new activities. Based on the response from numerous types of businesses in regard to potential uses of the terminal, staff has determined that an interim lease for purposes mentioned above would allow the Port to more fully utilize the terminal as an events space in conjunction to its use as a passenger cruise terminal and receive sufficient additional revenue to fund modest cruise terminal improvements at Pier 35.

After a brief discussion regarding Metropolitan California Stevedoring's role, Mr. Huerta added that MCS will continue running the terminal. In terms of the RFP, the Port would be selecting a joint venture partner for MCS. However, ship scheduling would take priority. MCS feels confident that they could work closely with the events proposer to ensure the events for the space will not conflict with a ship arrival. The timetable for the RFP is estimated to take about 8 weeks or a little longer.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

6. Mr. Roger Peters expressed his appreciation for the Excellence Award he received and thanked staff in the Maritime Division, Finance Division, Mr. Huerta and others for their support and guidance to make it happen.

6a) Mr. Peters next requested Commission approval to amend the agreement to allow Stevedoring Services of America to bill demurrage and wharf storage on behalf of the Port. SSA will provide the Port with a daily activity report of fees collected in cash and transmit same to the Port. This arrangement would allow our Wharfingers, whose assigned duties presently are impacted by about 60% with paperwork associated with demurrage, to devote the time to fieldwork outside the office in order to maintain service to tenants and customers. The Port will have final say if any decision is made which may cause disagreement between any parties involved. The Port will pay SSA 20% of the fees collected for their service. This is estimated to be $50,000 a year. Last year the Port at Pier 96 earned approximately $250,000 demurrage fees.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

6b) Next, Mr. Peters requested Commission approval for a U.S. Customs Service lease at Pier 80 on a month-to-month basis at no cost. U.S. Customs Service performs numerous activities in Port areas both involving enforcement and facilitation of international business, such as the clearance of cargo and passengers and the collection of duties. The efficient delivery of services by U.S. Customs at port shipping facilities is essential to the conduct of trade at the Port of San Francisco. As a result of budget constraints being faced by Customs, the policy of obtaining rent-free space was formalized on Sept. 5, 1989 by Customs Directive 5270-03. Under such directive, Customs has asked that we formalize our agreement to provide them with office space in the Pier 80 administration building, 501 Army St. at no cost. Under the proposed agreement, Customs will continue to occupy the space at Pier 80 on a month-to-month basis at no cost and use the office for purposes directly related to the conduct of trade through the Port of San Francisco and will pay for all utilities. Our failure to provide free space would force Customs to abandon its waterfront location, resulting in a decline in level of service to our terminals, steamship lines, importers and the public. To the extent that such services were curtailed or provided from a location which was more advantageous to competing ports, the Port of San Francisco could face a decline in cargo and cargo revenues.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

7) PLANNING & ENGINEERING

7a) Mr. Cliff Jarrard requested Commission authorization to award the professional services contract for earthquake damage repair of the Ferry Plaza and Pier 27-29 to FE Jordan, Associates, Inc., a certified minority firm chosen from a list of five. This firm has been confirmed by the Human Rights Commission as having complied with all the requirements for receiving a preference as a minority firm in accordance with Section 12D of the San Francisco Administrative Code. The proposed contract includes 2 phases. Phase I, which Mr. Jarrard requested approval on, will require the consultant to come up with a scheme of design and determine an economically feasible method of repair. All of Jordan's contract will be financed by FEMA and whatever design they come up with will require approval by BCDC's Engineering Criteria Review Board as well as FEMA and OES. Phase I will be completed within 60 days after notice to proceed and is not to exceed $51,425.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

7b) Mr. Jarrard next requested Commission authorization to advertise for a construction contract grouting in Sheds A, B and C and in the valley on Pier 45. What this grouting does is compacts the soil and this process is a requirement as a condition of our BCDC permit. This contract is structured in two stages. Consultants have predicted that estimated cost for this work to be about $1.8, but it could be less or could be more, based on the results of stage 1 testing. Mr. Huerta pointed out to the Commission that there is a possibility that the cost of this project could escalate beyond the estimated budgeted amount of $1.8. Should this be the case, then the Pier 45 project would have to be scaled back. At present an analysis of the project is being done to determine what would be needed to be scaled back and before any bid would be awarded, the compiled information would be presented to the Commission before the actual awarding of the contract is made.

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

7c) Next Mr. Jarrard asked the Commission for authorization to terminate contract with Clayton Environmental Consultants, Inc. for asbestos abatement due to its inability to sign the City's South African Ordinance affidavit which is a necessity of the contract and therefore asking permission to go to the next highest rated consultant, PSI Hall, Kimbrell Division. Phase I of this work will be funded entirely by FEMA.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Bouskos, carried.

7d) Ms. Veronica Sanchez requested approval of modification to contract which would allow completion of maintenance dredging through end of FY 91/92. The contract modification amount that will be required is $546,146. 12,000 cu. yds of material from the Pier 29 Newsprint Terminal and the Pier 94 Container Terminal must be disposed at an upland location because the regulatory agencies questioned its suitability for disposal at Alcatraz. Ms. Sanchez explained to the Commission that the higher cost for upland disposal of the dredged material involved additional testing, barging and depositing the dredged material at Port Sonoma for temporary storage and then trucking it to the Redwood Sanitary Landfill (Marin County).

ACTION: Moved by Commissioner Bouskos, seconded by Commissioner Wong, carried.

7e) As a follow up to item 7d) Mr. Jack Pizza requested Commission authorization to enter into contractual arrangements with the Port and Port Sonoma involving hold harmless and indemnity agreements in connection with the upland disposal of dredged materials, said hold harmless and indemnity agrrements to be in a form satisfactory to the Executive Director and the City Attorney.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Bouskos, carried.

Mr. Richard Tarrant, on behalf of the California Cafe, gave a brief background to focus the perspective of California Cafe in regard to the proposed settlement agreement that would be taken into consideration in executive session.

The Commission withdrew into Executive Session at 5:20 p.m. No action was taken.

The public session reconvened at 5:44 p.m. and was adjourned at 5:45 p.m.

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SAN FRANCISCO PORT COMMISSION
CITY and COUNTY OF SAN FRANCISCO
SUITE 3100 FERRY BUILDING
SAN FRANCISCO, CALIFORNIA

Wednesday, December 11, 1991 Commission Meeting

MINUTES

The regular meeting of the San Francisco Port Commission was called to order at 4 o'clock p.m. by President James Herman.

1. ROLL CALL

PRESENT: James R. Herman, President
Anne Halsted, Commissioner
Douglas F. Wong, Commissioner
Dr. Arthur Coleman, Commissioner

ABSENT: James M. Bouskos, Vice President

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2. APPROVAL OF MINUTES

The minutes of the meeting for November 13, 1991 were approved by motion of Commissioner Wong, seconded by Commissioner Coleman, and carried.

3. EXECUTIVE DIRECTOR'S REPORT

The Commission considered the schedule of meetings for the coming year, and adopted the published dates by motion of Commissioner Halsted, seconded by Commissioner Coleman, and carried.

Mr. Huerta introduced Ms Gretchen Grover as the Port's new Publications Coordinator in the Government and Public Affairs Department, and noted that her first undertaking will be the annual report.

President Herman asked that the Commission join with him in honoring a great San Francisco leader Jack Morrison who died this week. Mr. Morrison who was a Port Commissioner for two terms, will be remembered as a formidable maritime advocate, and a community activist. The Commission voted to close the meeting in his memory.

Secondly, President Herman expressed the hope that the newly elected Mayor Frank Jordan will enjoy a successful mayoralty, and pledged the cooperation of the Commission during the transition period.

President Herman on behalf of the Commission praised Mayor Agnos for his leadership particularly for those issues concerning the Port and expressed appreciation to him for the concern and support shown by the Mayor throughout his term of office. The Commission expressed concurrence with President Herman's statement.

4. FINANCE & ADMINISTRATION

a) A report on refunds and allowances for the months of September and October, 1991 were submitted for consideration and approval by the Commission.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

b) The Commission was requested to decrease the amount of the Port revolving fund from $560,000 to $60,000 as currently needed, and to amend Section 10.169 of the Administrative Code to reflect the correct amount. The Port's payroll system was converted to the City-wide Controller's Payroll system in 1987/88 and the revolving fund has not been used for payroll since that time.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted, carried.

5. PROPERTY & MAINTENANCE

a) Five leases were reviewed under the consent calendar for property located at Pier 1-1/2, SWL 322.1, 401 China Basin, and Pier 45. A brief discussion followed, and the Commission took the following action.

ACTION: Moved by Commissioner Halsted, seconded by Commissioner Coleman, carried.

b) Staff presented a request to the Commission to consent to an assignment of Lease and License by King Broadcasting Company to KSFO/KYA Inc. for property located at SWL 344, and a further assignment by KSFO/KYA Inc. to First Broadcasting Company. This request is made in order to allow KSFO/KYA Inc., a wholly owned subsidiary of King Broadcasting to sell its assets to a third party, First Broadcasting Company. It was further requested that the Commission authorize the Executive Director to execute a Lessor Estoppel Certificate in favor of KSFO/KYA Inc.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

c) The Commission next considered a request to amend the lease of Edward Bennett, a tenant with office space in the China Basin Building at Pier 50, to add 730 s.f. of space, and to approve a month-to-month sublease of space to Pinpoint Media and Duerr Graphics at the same location. There was no objection to the amendment and sublease; the Commission moved to approve.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Halsted, carried.

d) The Commission discussed and adopted a rent credit policy in order to set policy guidelines for staff in developing and implementing rent credits to tenants for capital improvements or repairs where applicable. The Commission approved Resolution No. 91-118 adopting administrative policy and implementation guidelines. The Commission will continue to review and approve each new rent credit proposal.

ACTION: Moved by Commissioner Wong, seconded by Commissioner Coleman, carried.

e) Commission reviewed the sales and rent report for September which reflected a mix of decreased restaurant sales at Fisherman's Wharf and a strong increase in other retail sales.

f) MISSION BAY

Jack Pizza, Deputy City Attorney, presented the Commission with a request to approve four resolutions which would allow certain transactions to take place that are necessary to implement the Mission Bay project. Under the Development Agreement approved in October 1990 the Port agreed to cooperate with Catellus in negotiating three separate agreements dealing with various land transfers which must take place in order that the project proceed. In conformance with the Development Agreement the City and Catellus have negotiated three agreements to effect these transfers which are before the Commission today. They are the City Land Transfer Agreement; the Port Land Transfer Agreement; and the Port Option and License Agreement.

The fundamental purpose of these agreements is to arrive at a pattern of land ownership and control which will allow the development of the project. The property under Port jurisdiction to be used for housing or commercial purposes will be transferred to Catellus under the Port Land Transfer Agreement. The Port property to be used for open space and wetlands will be licensed to Catellus under the terms of the Agreement to License and Option . Thirdly, Port property to be used for community facilities will be made available to the City under a separate agreement (not before the Commission).

Mr. Pizza stated that fifteen acres east of Third Street would be traded to Catellus Development Company in exchange for 26 acres next to Pier 80, with another two acres on Mission Rock near Third Street, designated for a police station, traded to the City in return for eight acres of unbuilt streets. These would be added to the Port's Pier 80 container storage area. An additional 21.6 acres along the shore, which is proposed as open space, would be leased to Catellus for 30 years for $2 million in yearly rent.

A one-time payment of $2 million will be made by Catellus to finance construction of a railroad bridge across Islais Creek in order to maintain maritime operations at Pier 48 and 50.

Catellus will also be responsible for removal of any toxic substances on all lands being transferred. Catellus will also waive its right to bring nuisance lawsuits against the Port-in case future residents object to freight-loading activities on the piers.

City Real Estate Director Anthony DeLucchi in evaluating the land swap opined that the Port would receive greater dollar value than it is giving up. The Western Pacific land is variously appraised at $27 million to $34.4 million; the China Basin at $26.6 million.

The Commission took the following action.

ACTION: Resolution No. 91-107, moved by Commission Wong, seconded by Commissioner Halsted, carried. Resolution No. 91-108, moved by Commissioner Halsted, seconded by Commissioner Wong, carried. Resolution No. 91-109, moved by Commissioner Wong, seconded by Commissioner Halsted, carried. Resolution No. 91-110, moved by Commissioner Halsted, seconded by Commissioner Wong, carried.

6. MARITIME

a) Commission next reviewed a request to approve Resolution No. 91-120 approving a general rate increase to the Port of San Francisco TariffNo. 3-C. The Commission approved the increases in wharfage, dockage and demurrage to be effective January 1, 1992 and July 1, 1992 by the following action.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

b) The Commission was presented with a request for assignment of the Associated Container Transport's interest in a Marine Terminal Agreement to Blue Star PACE, Ltd. The Commission discussed the terms of the assignment and approved Resolution No. 91-111 authorizing the Executive Director to make the assignment and to file the agreement with the Federal Maritime Commission.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Wong, carried.

7. PLANNING & ENGINEERING

Items a) and b) were deferred until the meeting of January 8, 1991.

c) Under a Memorandum of Understanding the Port joined with other City agencies to develop the Waterfront Transportation Projects, which includes a set of "Design Criteria" for the projects. The San Francisco Arts Commission, responsible for selection of the artists for all publicly funded arts projects, has selected the following teams and the Port Commission is asked to review and give its approval.

The team of Michael Manwaring and Nancy Olmsted for design of the historical and environmental interpretative signage program.

The team of Vito Aconci, Stanley Saitowitz and Barbara Stauffacher Solomon to design an art project along the Promenade.

Mark di Suvero for creation of a sculpture for the Gateway to the Embarcadero at Second and King Streets.

Each team of artists was asked to give a brief presentation of the concept for the project and the Commission was then asked to pass Resolution No. 91-115 approving these concepts. Included in this resolution, is a stipulation that in the event the Redevelopment Agency does not exercise its option for SWL 334, the Port would seek a license or lease agreement with the Arts Commission for the Gateway sculpture. Further the Commission reserved final review of all construction drawings for these three art projects prior to fabrication and installation.

ACTION: Moved by Commissioner Coleman, seconded by Commissioner Halsted.

The Commission concluded the public meeting at 6 p.m. and withdrew to executive session for discussion of an application to file a late claim by Gary Gilmore. At the conclusion of the executive session, the Deputy City Attorney stated that it was the decision of the Commission to deny said application.

There being no further business, the Commission meeting of December 11, 1991 closed in memory of Jack Morrison, a member of the Port Commission, 1976-1984.

JC
4-04